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Ministers View Earth Summit; Conventions Signed

Malaysia's Mahathir on Summit Conditions

BK0906105692 Kuala Lumpur BERNAMA in English 0926 GMT 9 Jun 92

[Text] Kuala Lumpur, June 9 (OANA-BERNAMA)—Malaysia will only put its signature on conventions at the Earth Summit in Rio de Janeiro if they are beneficial to it, Prime Minister Dr. Mahathir Mohamad said Tuesday.

The prime minister, who will leave for Rio de Janeiro tonight, said Malaysia was studying the various conventions being offered at the summit.

"If the agreement is ambiguous with no certainty of any action, it will be meaningless even if we sign," he said.

Dr. Mahathir was speaking to reporters after witnessing the signing of an agreement for the setting up of a regional Tyre Technology Centre between Sime Darby [Corporation] and Sumitomo Rubber Industries of Japan here.

Malaysia had earlier said it would not sign the convention on bio-diversity and climate change as it contained several provisions which did not meet the objectives of its struggle.

Dr. Mahathir said that for instance the convention pertaining to climate change did not indicate that any specific programme would be undertaken to reduce global warming.

Asked on the possibility of Malaysia changing its stand pertaining to the conventions on bio-diversity and climate change, Dr. Mahathir said the matter was under study and no decision had been made.

"We are studying them in depth as we want them to be meaningful," he added.

Nevertheless, he was confident Malaysia would be able to put its signature on conventions suited to its needs, at Rio de Janeiro.

On the feeling among a few non-governmental organisations (NGOs) that Malaysia was a spoilsport at the Earth Summit, he said Malaysia had the right to do what it thought was correct.

He said not all NGOs had such feelings and moreover it was also not possible to please everyone.

On the reported disinterest in the summit by the United States, Dr. Mahathir said if countries which had the means did not want to finance programmes planned by the summit then it would indeed be difficult for countries which did not have the means to do so.

Australian Ministers Urge Free Trade

BK1006055692 Melbourne Radio Australia in English 0500 GMT 10 Jun 92

[Text] The Australian Government has urged nations at the Earth Summit to give greater attention to free trading policies, saying they are needed if the world's environmental problems are to be solved. Matt Peacock reports:

[Begin recording] [Peacock] The world urgently needs a free trading international economic system, says Environment Minister Ros Kelly, if developing countries are to achieve the economic growth they need to solve their environmental problem.

[Kelly] Protectionism and the massive subsidies, particularly by the rich industrial countries, deny important trading opportunity to the developing world and it also puts much more pressure for exploitation of natural resources.

[Peacock] Trade Minister John Kerin, who has just arrived at the Earth Summit, says that lower trade barriers would both reduce poverty and evironmental degredation. [end recording]

Tuvalu, Nauru Sign Biodiversity Convention

BK0906094692 Melbourne Radio Australia in English 0500 GMT 9 Jun 92

[Text] Tuvalu and Nauru have become the first Forum [South Pacific Forum] island countries to sign both the Climate Change and Biodiversity Convention at the United Nations Conference on Environment and Development.

According to UN officials at the summit in Rio de Janeiro, each convention has been signed by about 25 countries. Under UN protocol, 50 signatures are required before the conventions can be ratified.

Kiribati's minister for environment and natural resources, Ieremia Tabai, has told delegates to the conference that the convention on climate change fall far short of his government's expectations. He said the convention is inadequate and does not safeguard small island states from sea level rises. Mr. Tabai said it was very sad that the industrialized countries have failed to commit themselves to stabilizing greenhouse gas emissions to 1990 levels by the year 2000, and then to reducing them to a safe level. The Kiribati minister also called on industrialized countries to stop any activities which might pollute the South Pacific.

Japan

Official on Possible Revival of U.S. 'Super 301'

OW1006115492 Tokyo KYODO in English 1126 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—A top official of the Ministry of International Trade and Industry [MITI] expressed concern Wednesday over a possible revival of the so-called "Super 301" provision in a U.S. trade bill.

Asked about Tuesday's approval of the trade expansion bill by the U.S. House of Representatives' Trade Subcommittee, the official said it is problematic since it could revive the provision which requires the U.S. Administration to identify unfair trade practices among trade partners and take retaliatory action.

The bill would seek the opening of Japan's rice market, but deleted an automobile sales provision requiring Japanese makers to reduce their sales in the U.S. market.

The official was cautious about the deletion, however, saying there is a possibility the auto provision could be revived.

The official said he wants to study carefully developments of the deliberations, while adding he felt encouraged by the U.S. Administration's opposition to the protectionism seen emerging in the U.S. Congress.

Debate on Overseas Troop Deployment Viewed

OW0506022692 Tokyo KYODO in English 0158 GMT 5 Jun 92

["News Analysis" by Tadashi Matsumoto: "Japan's Stance on Deploying Troops Changed in Two Years"]

[Text] Tokyo, June 5 KYODO—After two years of debate since the start of the Persian Gulf crisis, Japan has taken a step toward sending troops abroad with an upper house committee's approval of a bill to allow Self-Defense Forces (SDF) personnel to join United Nations peacekeeping missions.

Bitter experience in the Gulf crisis, which began in August 1990, apparently forced Japan to move toward contributing personnel, not just money, to U.N. peacekeeping operations.

Japan donated as much as 11 billion dollars to the United States-led multinational forces which fought the Gulf war to oust Iraq from Kuwait in early 1991.

Japan, however, won no praise from abroad for its contribution because it failed to send personnel to join the cause. The result was the Peacekeeping Operations Bill, which has survived months of angry political and public debate.

Members of two centrist opposition parties—Komeito and the Democratic Socialist Party (DSP)—voted early Friday morning for the government's peacekeeping bill in the special committee on international peace and cooperation in the opposition-controlled House of Councillors.

The Social Democratic Party (SDP) and the Japan Communist Party (JCP), however, remain opposed to a Japanese military role abroad.

The bill is designed to allow the government to send SDF personnel overseas to join U.N. peacekeeping missions.

Until May 1991, Komeito and the DSP resolutely rejected the participation of SDF personnel in the overseas peacekeeping operations, fearing it would violate the war-renouncing Constitution.

In November 1990, the governing Liberal Democratic Party (LDP), Komeito and the DSP agreed that Japan would set up a corps independent of the SDF to send personnel to United Nations operations.

But the government later presented a bill allowing the dispatch of SDF troops.

Komeito and the DSP changed their stance on SDF participation and came to support it with some conditions attached—prior Diet approval for sending troops and a temporary ban on participation in U.N. peacekeeping forces (PKF).

Military commentator Tetsuo Maeda says the peacekeeping bill originates in the Gulf war.

Maeda said the bill leaves a constitutional question, noting the Constitution's stipulation that "the Japanese people forever renounce war as a sovereign right of the nation and the threat or use of force as a means of settling international disputes."

Many political analysts said the dispatch of a minesweeping task force to the Persian Gulf last year helped create an atmosphere in Japan to support sending the SDF to U.N. peacekeeping operations.

SDF participation in U.N. missions also is linked to Japan's desire for a permanent seat on the U.N. Security Council, the analysts said.

Prime Minister Kiichi Miyazawa's predecessor, Toshiki Kaifu, first attempted to pass legislation allowing SDF personnel to help U.S.-led multinational troops amassed in the Gulf.

That attempt failed miserably when the bill was killed in the House of Representatives in November 1990.

Komeito Secretary General Yuichi Ichikawa said, "The world changed.... And we must adapt ourselves to the post cold war era. The U.N. peacekeeping forces are not a peacemaker but a peacekeeper which corresponds to the Japanese Constitution."

GSDF Chief Urges 'Calm' on PKO Bill Issue

OW1006011792 Tokyo NHK General Television Network in Japanese 1000 GMT 9 Jun 92

[Announcer-read report; from the "NHK News" program]

[Text] In reference to the passing of the Peacekeeping Operations [PKO] bill by the House of Councillors, the Ground Self-Defense Force [GSDF] today issued an instruction from the chief of staff urging all units to be calm.

The GSDF is refraining from making any specific explanations on the PKO bill to its personnel since the bill is still under deliberation in the Diet. But it is said that there has been a rush of questions in all the units, troops asking their superiors about their missions under the PKO.

Because of this, the GSDF today issued an instruction in the name of GSDF Chief of Staff Tetsuya Nishimoto, asking the troops across the nation to be calm. The instruction said that once the bill is passed, the missions and operations for participants will be explained without delay, and that the troops should not get agitated by the matter and should continue with their normal activities and training duties in calmness.

Poll Shows SDF's UN Operations 'Unavoidable'

OW1006020492 Tokyo KYODO in English 0116 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—Forty percent of respondents in a survey think overseas deployment of the Self-Defense Forces (SDF) in United Nations peacekeeping operations is unavoidable, the NIHON KEIZAI SHIMBUN reported Wednesday.

The NIHON KEIZAI said it conducted the public opinion poll by telephone among 10,000 people nationwide June 5-8, with 6,186 persons or 61.9 percent responding.

The poll showed 40.0 percent of the respondents think the overseas dispatch of SDF personnel to join U.N. peacekeeping operations, such as the one in Cambodia, is unavoidable, taking into account relations with other countries, the economic daily said.

Those opposed to overseas operations by the SDF totaled 38.6 percent, while those people who answered Japan should send SDF troops overseas as part of its international contribution reached 15.1 percent, it said.

By gender, 63.9 percent of males supported sending the SDF overseas, while 46.8 percent of females favored such a move, almost the same as the 44.3 percent of women opposed to it.

The newspaper commented that the results showed a deepened understanding among the people of the SDF's proposed participation in U.N. peacekeeping operations, helped by the amended version of the bill to allow such deployment which passed the upper house early Tuesday.

The governing Liberal Democratic Party reached a compromise with two opposition parties by adding amendments to the bill calling for a temporary freeze on the SDF's participation in U.N. peacekeeping forces (PKF), and for prior approval by the Diet for each dispatch overseas of SDF troops.

The newspaper said the poll results contrasted with one conducted last November, in which 62.2 percent called for careful deliberations of the bill in the Diet, and 21.1 percent answered "no" to any SDF overseas deployment.

SDP Demands Cabinet Resignation, Election

OW1006062792 Tokyo KYODO in English 0624 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—The chief of Japan's largest opposition party called Wednesday for the government's resignation and a general election to let the public give its judgment on a controversial bill on sending troops abroad.

"It is high time for Prime Minister (Kiichi Miyazawa) to seek a public judgment" on the government-sponsored UN peacekeeping cooperation bill, said Makoto Tanabe, chairman of the Social Democratic Party (SDP).

Tanabe told a meeting of SDP legislators in the Diet building that the party would submit a motion of no-confidence in the cabinet in a bid to force Miyazawa to dissolve the House of Representatives and call a general election.

Tanabe's demand is widely viewed as a symbolic gesture to dramatize the party's opposition to the bill. Miyazawa has repeatedly said he will not dissolve the lower chamber.

Tanabe also hinted that he may instruct all the SDP legislators to submit letters of resignation to the lower chamber as a parliamentary procedural tactic to put pressure on Miyazawa to dissolve the chamber.

"I seek your mandate to decide on your status (as legislators)," he told the meeting.

There was no reported reaction from the legislators to Tanabe's request. The SDP has 137 of the lower chamber's 512 seats.

Tanabe also said the SDP would exhaust all the parliamentary measures available in its fight against the bill.

"The time is approaching to submit a priority motion (demanding the cabinet resignation)," he said.

Meanwhile, the House of Representatives' special committee on international peace cooperation was convened amid protests from the SDP and the Japanese Communist Party (JCP).

Miyazawa told the committee, "I studied the contents of the amended bill in detail and concluded that the amendments are designed to secure support from an even

greater number of citizens, while maintaining the basic ideas and framework of the original government-proposed bill."

Komeito legislator Akinori Mineyama, the co-sponsor of the amendments, defended a clause of the bill requiring the legislature to "make efforts" to approve a requested overseas deployment of troops within seven days of such a request being submitted by the prime minister.

Mineyama said the clause did not obligate the Diet to approve such a request within seven days.

The SDP and JCP have denounced the clause as placing "unjustifiable limitations on the legislature's authority" to decide on the length of Diet deliberations.

Fumio Wada, director general of the lower house's legislative bureau, told the committee that the clause "does not place any curbs on the length of Diet deliberation" on a requested approval for a troop deployment.

SDP officials said the party's committee members will try to delay deliberations at the committee stage by demanding an explanation of the alleged involvement of Chief Cabinet Secretary Koichi Kato in the Kyowa bribery scandal.

New suspicions on the alleged involvement of Kato in the scandal surfaced after Goro Moriguchi, former vice president of Kyowa Co. who has been indicted in the case, named Kato in a list of 32 recipients of cash donations from the firm.

In a document and list submitted to trustees of the steel-frame maker's bankruptcy case, Kato was named as having received 10 million yen in February 1990 as parts of his campaign funds for that year's general election, which he contested from his Yamagata constituency.

Officials of the Liberal Democratic Party, Komeito, and the Democratic Socialist Party (DSP)—which back the bill—said they will block any possible SDP moves to delay deliberations at the committee.

The officials said the tripartite coalition is planning to bring a vote on the bill at the committee Thursday before sending it to a plenary session of the lower chamber for a final vote Friday.

SDP Diet Administration Committee Chairman Tomiichi Murayama proposed to the LDP that SDP leader Makoto Tanabe and Miyazawa hold talks to discuss ways of dealing with the bill in the lower house.

Murayama made the proposal in a meeting with LDP Diet Policy Committee Chairman Seiroku Kajiyama in the Diet building.

Kajiyama said he will reply after consulting with Miyazawa.

Committee Decides To Vote on PKO Bill 11 Jun

OW1006142692 Tokyo KYODO in English 1358 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—A House of Representatives special committee will vote on the U.N. peacekeeping cooperation bill Thursday evening, some six hours after beginning deliberations on the legislation, the panel's chairman said Wednesday.

Yoshiro Hayashi told the committee it is time for ruling and opposition parties to decide whether they approve a modified bill to allow Self-Defense Forces (SDF) to join U.N. peacekeeping operations.

The governing Liberal Democratic Party and two centrist opposition parties Komeito and the Democratic Socialist Party (DSP) decided to vote on the bill Thursday evening when they held a meeting of secretary generals.

At a committee meeting, Japan's largest opposition Social Democratic Party (SDP) and the Japanese Communist Party criticized Hayashi's decision to vote on the bill following the scheduled conclusion of Thursday's meeting.

Meanwhile, the LDP refused an SDP proposal to hold a meeting between Prime Minister Kiichi Miyazawa and SDP Chairman Makoto Tanabe to patch up differences over the bill.

Miyazawa Cabinet Approval Rating Rises to 30%

OW1006014592 Tokyo KYODO in English 0100 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—Public support for the cabinet of Prime Minister Kiichi Miyazawa rose to 30.2 percent in June from a 22.3 percent approval rating recorded in March, according to a poll released Wednesday in a Japanese economic daily.

The NIHON KEIZAI SHIMBUN reported Wednesday that its survey showed the disapproval rating fell to 42.8 percent from 53.6 percent. The newspaper did not, however, give any specific analysis on why the Miyazawa cabinet recovered popularity in the poll.

The NIHON KEIZAI said it conducted the survey through telephone interviews June 5-8, when the Diet was the scene of a showdown between proponents and opponents of a United Nations peacekeeping operations bill aimed at sending Japanese troops overseas to join U.N. peacekeeping missions.

The survey covered 10,000 of the country's more than 90 million voters, with 6,186 or 61.9 percent responding.

Miyazawa's ruling Liberal Democratic Party was supported by 59.9 percent this month, up from 49.1 percent in March, while the main opposition group, the Social Democratic Party, lost some support as its rating dropped to 17.5 percent from 19.1 percent.

The survey put support ratings for Komeito at 3.6 percent, up from 3.0 percent, the Japanese Communist Party at 3.1 percent, up from 3.0 percent, Democratic Socialist Party at 2.8 percent, down from 3.3 percent.

The percentage of those who said they support no particular party was 14.9, up slightly from the 14.8 percent recorded in March.

Sagawa Kyubin Allegedly Assisted 2 LDP Members

OW1006135892 Tokyo KYODO in English 1318 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—The trucking company at the center of a colossal loan scandal assembled names of 20,000 supporters and 80 million yen each for two celebrities-turned-politicians of the ruling Liberal Democratic Party (LDP), their offices said Wednesday.

House of Councillors member Eizaburo Maejima and former member Hiroko Hayashi each received lists of 20,000 party members and associate members and their party membership fees of 4,000 yen each from Tokyo Sagawa Kyubin Co. for the July 1989 election.

Maejima, whose stage name is Eita Yashiro, and Hayashi, known as Chikage Ogi, were among the 100 members of the 252-seat upper house elected through proportional representation, in which voters select the name of a party, not a candidate.

In such cases, the higher a candidate's name appears in his or her party's roster on the ballot, the better the chances of election.

In the LDP, the number of members and associate members—and their membership fees—a candidate can assemble greatly influences his position on the party lineup.

The shady loans of Tokyo Sagawa Kyubin, a former Sagawa Kyubin group company, allegedly involve many politicians of various parties and the Inagawa-Kai underworld crime syndicate.

Three of its former executives, including former President Hiroyasu Watanabe, have been indicted on charges of aggravated breach of trust for causing financial damage to the company.

Maejima's office said he asked Watanabe to collect lists of LDP members and associate members in April 1988. The company responded in July and August that year with the lists and the money, greatly helping the candidate's efforts, the office said.

But Maejima workers said they could not remember whether the fee was in cash or check, adding that the money was paid to party headquarters as party expenses.

Hayashi's office, while acknowledging that she received the list and the 80 million yen, denied that she asked the company to collect them.

Hayashi received them because of an introduction by the LDP faction led by the late Shintaro Abe, to which she belonged, the office said.

Unable to assemble enough members, she asked Abe for help, office workers said, maintaining that Hayashi's list and money also went to the party.

Both political offices said the candidates had no other contact with Tokyo Sagawa Kyubin, which was merged May 1 with five other subsidiaries by its Kyoto-based parent, Sagawa Kyubin Co.

The merger, aimed at rescuing the financially troubled Tokyo unit, made the parcel delivery firm the third-largest in Japan.

2d List of Candidates for New Party Announced

OW1006133592 Tokyo KYODO in English 1140 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—Morihiro Hosokawa, leader of the newly formed New-Japan Party, announced Wednesday his second list of candidates for the House of Councillors election in July.

Hosokawa, former governor of Kumamoto Prefecture, also told reporters about the party's five-point basic policy and its symbol, representing "the development of harmony between individuals and the whole."

The announcement brought the number of the party candidates to 10.

Among six candidates named on the second list are political analyst Tetsuya Matsuzaki, 42, and professional tennis player Naoko Sato, 37, Hosokawa said.

Hosokawa said he will ask a total of 16-20 candidates to run for the election scheduled to be held on July 26.

Hosokawa said he does not deny the possibility that he would run in the election.

He said he will announce a third list of candidates for the election within the next week.

On the party's five-point basic policy, Hosokawa said the party will make every effort to realize a new world by working for peace and also decentralizing power in Japan.

On May 8, Hosokawa announced he would form a new political party to compete with existing parties which he said are stuck in old style politics despite the end of Cold War. He later revealed his first list of four candidates for the upper house.

Discussion of Financial Disclosure Rules Begins

OW0506115392 Tokyo KYODO in English 1150 GMT 05 Jun 92

[Text] Tokyo, June 5 KYODO—A government advisory panel Friday kicked off discussion on the establishment of

information disclosure rules for financial institutions in Japan, officials of the Ministry of Finance (MOF) said.

Meeting for the first time was a subcommittee of the committee on financial systems research, which advises the finance minister. The subcommittee is mandated to compile a recommendation on the disclosure issue within a year.

The issue came under the spotlight following a number of serious financial scandals last year.

Heightening the importance of some type of disclosure by financial institutions is the ongoing deregulation of the financial industry.

Deregulation requires that consumers be able to compare management information of the various institutions in order to make appropriate choices.

The subcommittee will focus its discussions on what information should be disclosed, how information about bad debts will be revealed, and how best to present the information to consumers, the officials said.

The panel is scheduled to compile a recommendation on disclosure of information concerning bad debts by the end of the year, as the banking industry is planning to start such disclosure in business reports for fiscal 1992.

Bank Subsidiaries To Deal in Convertible Bonds

OW0606085392 Tokyo KYODO in English 0818 GM T 06 Jun 92

[Text] Tokyo, June 6 KYODO—The Finance Ministry plans to allow securities houses established by commercial banks to deal in convertible and warrant bonds, a ministry source said Saturday.

The ministry will also let the securities houses underwrite the issuance of stocks, corporate debentures, and convertibie bonds as well as brokering corporate debentures, the source said.

A package of financial reform bills being deliberated in the Diet would prohibit such securities houses for the time being from stockbroking to protect small- and medium-sized brokerage houses.

But the ministry believes the brokering of convertible and warrant bonds by bank-affiliated securities houses would not hurt the managements of smaller brokerages, as such bonds do not account for much of their business, according to the source.

The financial reform bills, passed by the House of Representatives and now in the House of Councillors, are expected to be enacted during the current Diet session.

If so, long-term credit banks, such as the Industrial Bank of Japan, will set up subsidiaries as early as next April, and six months or a year later, major Japanese commercial banks, known as city banks, will also establish their securities subsidiaries.

Ministry Officials Advance Budget Deadline

OW1006052392 Tokyo KYODO in English 0511 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—The government will set the "ceiling" on the budgetary requests of its ministries and agencies for the next fiscal year on June 23, or about a month earlier than usual, Finance Ministry officials said Wednesday.

This will be the first time in 11 years for the ceiling to be determined during June. The ceiling will be approved at a cabinet meeting on that day.

The bringing forward of the budget-drafting schedule is apparently intended to blunt expected foreign pressure on Japan at the July summit of the Group of Seven (G-7) nations to further stimulate its economy .

Other G-7 members, particularly the United States, want Japan to take more fiscal steps to get the economy rolling, in addition to the emergency economic package the government unveiled in late March.

The time frame for fiscal 1993 budget compilation was notified to Prime Minister Kiichi Miyazawa by Vice Finance Minister Hiroshi Yasuda and other senior Finance Ministry officials earlier in the day.

Having received the go-ahead from Miyazawa, the ministry scheduled a meeting of budget examiners of its Budget Bureau later in the day to begin work on the ceiling, on the basis of which each ministry will submit its budget requests to the Finance Ministry in August.

The ministry officials explained to Miyazawa the ministry's stance of continuing its belt-tightening fiscal policy in the budget for fiscal 1993, which begins in April next year, the officials said.

"The current extremely severe fiscal conditions will not allow us to ease our basic stance that government operating expenditures should be cut 10 percent from the previous year and that investment-related expenses remain flat," Yasuda was quoted as saying.

Miyazawa agreed with Yasuda and instructed the ministry to stick to the basic principles in setting the ceiling, according to the officials.

Keidanren Chairman Seeks Supplementary Budget

OW1006133792 Tokyo KYODO in English 1145 GMT 10 Jun 92

[Text] Osaka, June 10 KYODO—An influential business leader urged the government Wednesday to work out a supplementary budget to shore up the domestic economy.

Gaishi Hiraiwa, chairman of the powerful Federation of Economic Organizations (Keidanren), said the Japanese economy is still adjusting, although housing starts have shown signs of recovery.

He predicted production activity and corporate capital investment are likely to start picking up this fall but the pace of economic recovery will neither be swift nor big.

Hiraiwa, bucking a government plan to introduce a new environmental tax, said it is too early to implement the plan.

Panel Urges Continuing Tight Fiscal Policy

OW1006081992 Tokyo KYODO in English 0757 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—The government must continue its stringent fiscal policy without depending on national bond issues and a new tax, a panel on governmental reform said Wednesday.

Eiji Suzuki, chairman of the ad hoc committee to promote administrative reform, visited Prime Minister Kiichi Miyazawa at his official residence to offer recommendations on the financial policy for fiscal 1993.

It was the first time the panel submitted a recommendation to the government before a ceiling is set for the next fiscal year's general expenditure budget.

The panel submitted two similar proposals to the government last year before the draft of the national budget was completed.

In Japan, government ministries and agencies make budgetary requests in August for their programs for the next fiscal year.

The proposal appears intended to check increasing expectations of an active economic policy among the ruling Liberal Democratic Party and eventually hamper the government from issuing additional government bonds and introducing a tax to preserve the global environment, observers said.

The new government bond issues and the green tax are expected to be the main sources of revenue to implement a large-scale supplementary budget this fall to boost the faltering Japanese economy.

The proposal calls for combating the increase in the ratio that indicates the amount of tax payments and social insurance fees out of the national income, apparently objecting to the introduction of the new tax.

It also notes the need to avoid issuing government bonds to finance construction projects, as well as deficit-covering bonds.

On the curtailment of the national budget, the advisory panel urges the government to promote public sector activities by relaxing public regulations.

It also calls on the government to transfer administrative powers to local governments and include subsidies to them in the general expenditure so as to alleviate the overconcentration in Tokyo.

Direct Investment Abroad Down 26.9% in FY 1991

OW0506114992 Tokyo KYODO in English 1055 GMT 5 Jun 92

[Text] Tokyo, June 5 KYODO—Japanese corporations' direct investments overseas dropped 26.9 percent to 41,584 million dollars in fiscal 1991 that ended in March, the Finance Ministry announced Friday.

The ministry said the drop stemmed from a decrease in the number of new bases being launched overseas by the companies.

Other factors included a slower global economy, a tighter fund raising environment largely created by slumping domestic stock prices, and a sluggish global real estate market, it said.

Notably, investments in North America, which comprise 45.3 percent of Japan's direct investments abroad, shed 30.8 percent, while those to Europe fell 34.4 percent. Investments to Asian countries retreated 15.8 percent.

On an industry basis, investments by the electrical industry dropped 59.6 percent, finance and insurance industries 38.2 percent, and service 52.1 percent.

In contrast, direct investments in Japan by foreign concerns jumped 56.2 percent to 4,339 million dollars, as many companies established distribution bases in Japan due to an increase in Japan's import of foreign products, the ministry said.

North Americans were active investors, while Europeans backed off, it said.

The share of the amount of direct investments from North America rose to 48.3 percent from 29.0 percent the year before, while the share of investments from Europe sank to 31.1 percent from 49.0 percent.

Institute Says Economy To Grow 3% in FY 1992

OW1006141092 Tokyo KYODO in English 0941 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—The Japanese economy will begin to recover in the second half of the current year and post an inflation-adjusted 3.0 percent growth for the year, a private economic research group said Wednesday.

For fiscal 1993 starting next April, gross national product, the total output of goods and services, will increase 3.7 percent, said NLI Research Institute, affiliated with leading insurer Nippon Life Insurance.

The Japanese economy, which has slowed since March 1991, will end its phase of inventory adjustment in the July-September quarter and begin to improve after September, the institute said.

The nation will thus have suffered 18 months of an economic slowdown, exceeding the 17 months of the

previous slowdown caused by the yen's appreciation that started in September 1985, it said.

Institute officials said the growth projection assumes that the government will compile a supplementary budget, estimated at 1.5 trillion yen, this fall and that the present official discount rate of 3.75 percent a year will continue through fiscal 1993.

Major Automakers Planning To Cut Recruitment

OW0106124992 Tokyo KYODO in English 1211 GMT 1 Jun 92

[Text] Tokyo, June 1 KYODO—Major automakers are planning to cut their recruitment of college graduates by up to a third next spring due to poor sales, according to their employment plans released by Monday.

Toyota Motor Corp. said it is planning to cut 1993 college graduate recruitment by 23 percent from this year to 680 people next year, Nissan Motor Co. by 19 percent to 560, and Mazda Motor Corp. by 32 percent to 270.

Toyota also intends to reduce the number of new female office workers to 60 from 122 and Mazda to 20 from 49.

Recruitment by Mitsubishi Motors Corp., whose business performance is relatively firm, is expected to remain little changed. The number of college graduates it plans to hire next spring will decline 3 percent to 400, while recruitment of high school and junior college graduates will be raised 1 percent to 1,050.

Honda Motor Co. plans to boost recruitment of college graduates by 4 percent to 190, and is yet to decide on high school graduates. In the worst case, the overall figure may drop 10 percent, Honda said.

The companies are trying to restrain the number of cuts with respect to high school graduates to prepare for less per-capita working hours. Toyota will cut back on such recruits by 7 percent to 1,580.

Agriculture Ministry Adopts New Farm Policy

OW1006093092 Tokyo KYODO in English 0800 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—The Agriculture, Forestry, and Fisheries Ministry adopted Wednesday a new farm policy calling for comprehensive structural reform to strengthen Japan's agriculture heading into the 21st century.

Under the policy, 150,000 large-scale farming households and 20,000 collective farming organizations are expected to produce 80 percent of Japan's rice by the year 2000, ministry officials said.

The large-scale farming households are expected to comprise 50,000 specialized rice farms with 10 to 20 hectares of land and 100,000 others with five to 10 hectares of land.

The collective farming organizations would combine medium-sized and small farming households in a few communities.

To achieve the policy goal, the government will encourage incorporation and consolidation of farms and push flexible rice production controls in a move to relax the existing food control system, they said.

The policy, intended to cope with global moves to reduce farm protection and promote free farm trade, calls for reducing farmers' annual working time to 1,800 to 2,000 hours and to raise their lifetime income to the level of other industries, about 200 million to 250 million yen.

At the same time, the policy envisions introduction of market forces in the production and distribution of rice.

Subcommittee Proposes Greater Local Autonomy

OW1006134592 Tokyo KYODO in English 1048 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—An administrative reform council subcommittee proposed Wednesday establishing pilot local governments to promote decentralization of power, council officials said.

The panel urges setting up 10 to 20 pilot local governments nationwide, mainly in cities or communities with a population of more than 200,000.

The subcommittee also says the central government should reduce or flexibly apply its authority over 59 matters to give the self-governing pilot bodies more autonomy.

These matters include city planning, drainage planning, and new bus routes, which currently need the approval of related cabinet ministers.

The panel also asks the national government to take similar measures on subsidies for 78 items.

It also calls for creating a headquarters to promote the transfer of power to the local authorities from the central government. The prime minister will direct the headquarters, which will include scholars and other citizens, officials said.

The subcommittee, however, failed to say specifically that the government will transfer any of its power to the pilot local governments, apparently taking into consideration strong opposition raised by government ministries and agencies.

The second session of the Administrative Reform Council, in its final report submitted last December, clearly asked for such a power transfer.

The ad hoc commission on administrative reform is to submit a report incorporating Wednesday's subcommittee proposal to Prime Minister Kiichi Miyazawa late this month, the officials said.

Intellectual Assistance Key to Economic Policies

OW2305034192 Tokyo KYODO in English 0233 GMT 23 May 92

[Text] Tokyo, May 23 (KYODO)—Japan's economic cooperation policies should make "intellectual assistance" their pillar in advising countries that are shifting to a market-oriented economy, an advisory group said in a report Saturday.

The report, which was made available to KYODO News Service, was compiled by the Economic Cooperation Subcommittee of the Economic Council, an a blue-ribbon advisory panel to Prime Minister Kiichi Miyazawa.

The report calls on the government to systematically compile Japan's experience on economic policies and set up an "advisory group" of experts to give advice on macroeconomic policies and price policy to developing countries and those shifting from command to market economies .

It suggests creating an advice network which inciudes well informed citizens, with the advisory group serving as the core.

The report also calls for the creation of a "human resources bank" to collect and manage information on human resources to supplement the group.

The report is the key report the Economic Council plans to submit to Miyazawa in late June before he proposes the idea of intellectual assistance at the Munich Summit of seven industrialized countries in July, where the focal point will be economic assistance to the former Soviet republics.

The subcommittee also proposed in the report expanding Japan's Official Development Assistance (ODA) and using it for international environmental preservation efforts.

It also suggested promoting direct investment to developing countries by creating an investment insurance system.

The committee emphasized dialogue with the developing countries, and called for [word indistinct] "self-help statistics" including figures on the amount of savings, education and insurance premium spending, the scale of the government, money supply, and percentage of school attendance.

The report said it is important to share Japan's experience on increasing elementary and junior high education and on industrial and trade policies "by taking into consideration historical and cultural backgrounds of the developing countries."

Patent Officials: Applications Level Off in 1991

OW2305112492 Tokyo KYODO in English 0950 GMT 23 May 92

[Text] Tokyo, May 23 KYODO—The growth rate of applications for patents has slowed over the last few years but the patent office denied it snows an eclipse in corporate capability on technology development.

The office said the number of patent applications filed in 1991 totaled 369,396, up only .5 percent over the previous year, and that for new designs fell 17.1 percent to 114,687, posting the fourth straight year-on-year decline.

Patent officials attributed the trend to an administrative guidance issued in 1984 to ease competition for patent applications among corporations.

The officials said the office welcomed the trend on grounds it will contribute to shortening the time required for the screening of such applications.

Slow progress in screening patent applications in Japan has been the target of criticism from the United States and European countries.

Japan, in negotiations with the U.S. to remove structural barriers to bilateral trade, agreed to shorten the period required for screening patent applications to 24 months from the present average of 32 months.

Oil Industry Opposed to Environment Tax Idea

OW1006134292 Tokyo KYODO in English 1118 GMT 10 Jun 92

[Text] Tokyo, June 10 KYODO—The Petroleum Association of Japan said Wednesday it is opposed to a government idea to introduce an environment tax aimed at reducing fuel consumption.

The association said it decided at an executive meeting Wednesday to oppose the plan, and will incorporate the decision in a list of requests concerning reforms of the tax system to be submitted soon to the Ministry of International Trade and Industry.

Restraining the consumption of fossil fuels via a new levy would hamper stable growth of the economy and curtail Japan's international competitiveness, the association said.

It urged the government to instead cut expenditure to secure necessary funds for Japan's contribution to global preservation.

In a related development, Yasuoki Takeuchi, chairman of Nippon Oil Co., said the company may be forced to raise the wholesale oil price by 1.00 yen per liter this fall to keep the company's pretax profit at the fiscal 1991 level of 40 billion yen.

Takeuchi cited rising refining and personnel costs as reasons for the price markup.

Nippon Oil is Japan's top distributor of oil products.

Japanese oil refiners have revised wholesale prices of oil products to keep pace with fluctuations of imported crude prices since the outbreak of the Persian Gulf crisis in the summer of 1990.

Nippon Oil's move will likely be followed by other oil distributors, industry sources said.

Tokyo Endorses Global Satellite Data Networks

OW3005025792 Tokyo KYODO in English 0128 GMT 30 May 92

[Text] Tokyo, May 30 KYODO—Japan plans to build worldwide satellite data networks with the United States and Europe to observe the earth's environment from space, government officials said Saturday.

The Science and Technology Agency and the National Space Development Agency of Japan, the U.S. National Aeronautics and Space Administration, and the European Space Agency will exchange and use environmental data collected by satellites over their areas, the officials said. The data will cover how carbon dioxide from vehicles and industries circulates around the earth, how acid rain damages forests, and other environmental conditions, the officials said.

Japan, the United States, European countries, India, and other countries independently use satellites to observe the environment. There is, however, no international network to exchange the data from the satellites, the officials said.

The officials said Japan will cooperate with China and Russia to observe the environment in the former Soviet Union and Asia, and the three countries will exchange satellite data and cooperate to improve data collection. In addition, Japan will share its satellite observation data with Russia and both countries will develop sensors to observe the earth's environment, the officials said.

Japan will disclose its willingness to cooperate with other countries when the United Nations holds the Earth Summit in Brazil from June 3 to 14. During the summit, Britain also will report on the details of an accord drafted at a conference on satellite observation held by Japan, the United States and 10 other countries last April.

North Korea

Fifth Political Subcommittee Meeting Detailed

SK0906152492 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 9 Jun 92

[Text] The fifth round of the North-South Political Subcommittee of the North-South high-level talks was held in the South side's area of Panmunjom today. The talks were held openly.

At the talks, our side's chairman made a keynote address: He stressed that at the fourth round of the talks, because the South side had agreed to our side's proposal that a proposed comprehensive text of an annexed agreement to implement and abide by the first chapter of the North-South agreement be drawn up and because the South side had proposed an agreement to form and operate a joint reconciliation committee, consensus was reached in the issue of the form of the two agreements to be adopted and validated in the Political Subcommittee.

Our side's chairman said that, however, there are basic differences in the contents of both sides' proposed texts of annexed agreements. He pointed out the South side's insincere attitude toward the issue of North-South reconciliation. By pointing out actual facts, he revealed that the great problem in the South side's proposed text of annexed agreements is that its general contents maintain the status quo and aspire for division; that the South side's proposed text of annexed agreements cannot thoroughly implement North-South reconciliation; that it collaborates to maintain antagonism and confrontation; and that it still maintains the stance of depending on outside forces.

After discussing the reasonableness of our side's proposed text of annexed agreements in detail, to make it easier to draw up the annexed agreements, our side's chairman offered a new revised proposal that the chapters in our side's proposed text of annexed agreements given in the fourth round of the talks be entitled. He stressed that to improve North-South relations in accordance with the demand of the basic agreement, one should keep faith in dialogue, should not create a stumbling block to dialogue, and should have correct attitude to hold dialogue in a favorable atmosphere.

Our side's chairman said that at a time when the International Atomic Energy Agency was smoothly conducting inspection, the South side once again raised the so-called nuclear issue and is kicking up commotions about sanctions and a resumption of the Team Spirit joint military exercise. He said that this is aimed at attenuating the outcome of the international nuclear inspection of us, at newly aggravating North-South relations, at creating a new stumbling block in improving DPRK relations with Japan and with the United States, and at settling South Korea's unstable internal situation.

Our side's chairman urged the South side to take into consideration the fact that its irresponsible acts can create an artificial stumbling block to reconciliation and cooperation between the North and the South and can endanger the hard-won work of exchanging visiting groups of elderly parents. He urged the South side to act with discretion.

Our side's chairman proposed that after discussing the proposed text of annexed agreements, the proposed agreement on forming and operating the joint committee be discussed.

In the meantime, the South side repeated its original unreasonable claims in its keynote address. Saying that it is important to regulate the North-South relations in drawing up the annexed agreement, the South side had its own way of interpreting the meaning of the North-South relations in the North-South agreement, which stipulates that the North-South relations are special relations, not relations between countries. He made a splittist claim that because the North and the South are members of international organizations, they should recognize each other's reality.

The South side also asserted, in discussing the clause on halting vilifications and slanders, that only government media be included and that nongovernmental media be excluded. It distorted facts as if the South side were a party to the Military Armistice Agreement under the pretext of the so-called principle of resolution of questions between the parties concerned.

The South side even made provocative remarks against us, mentioning nonexistent infiltration of armed troops, going so far as to criticize us for not attending the Military Armistice Commission [MAC] meeting.

In this connection, our side strongly pressed the South side, saying that the South side's remarks at today's meeting have something in common with the anti-North commotions it has recently been staging outside the meeting site. Our side warned that we would regard it as grave that the South side has been provoking us with the so-called infiltration of armed troops that had nothing to do with us.

As for our side's not attending the MAC meeting, our side made it clear that we have never received a letter by telephone or a letter from the U.S. forces side. Our side then argued saying that it is self-contradictory that a man called a general-level officer of the South side, which is neither a signatory to the Military Armistice Agreement nor a member of the UN Forces, should turn up as senior member and say this and that.

Our side stated that the South side still has not abandoned the old concept of confrontation at all. Strongly urging the South side to abolish the National Security Law, which punishes the people of various strata aspiring for reunification and defines us, the other party to the dialogue, as an enemy even today when the North-South agreement has been signed, our side demanded that the South side join us in discussing the basic issues.

The meeting began discussing the (?main) issue, but no progress was made because of the South side's unjust position and attitude. Concluding the meeting, our side urged the South side to make its position closer to our proposed texts of annexed agreements when it comes to the next meeting. The two sides agreed to hold the sixth round of meetings on 2 July.

ROK Blamed for Obstacles to Denuclearization

SK0906094192 (Clandestine) Voice of National Salvation in Korean to South Korea 0300 GMT 6 Jun 92

[Dialogue between O Il and an unidentified announcer from the "Focus of Topics" program]

[Text] [Announcer] As you know, the No Tae-u group has recently been building artificial obstacles to implementing the joint denuclearization declaration. They have also tried to reduce the joint declaration and, in the long run, the North-South agreement to nothing. Let us talk about this today.

[O Il] The No Tae-u group, running counter to peace on the Korean peninsula and its peaceful reunification, has recently been building artificial obstacles to implementing the joint denuclearization declaration. On 1 June he convened the so-called meeting on strategies toward the North. Prime Minister Chong Won- sik, the director of the Agency for National Security Planning, ministers concerned, and Chongwadae secretaries concerned were present. During the discussion on how to handle North-South mutual nuclear inspection and other issues, they reconfirmed their previous position on special inspection.

Prime Minister Chong Won-sik sent a telephone message to Yon Hyong-muk, the North's premier, that day. In this message he expressed the South side's position that overall North-South relations cannot improve unless North-South mutual nuclear inspections, including special inspections, are conducted. In the meantime, in order to conduct the nuclear inspection of the North immediately, the government authorities have decided to put more pressure on the North in the United Nations and other international organizations and asked the United States to cooperate. This is a mean maneuver intended to build higher obstacles to the activities of the Joint Nuclear Control Committee, which has been deadlocked, and reduce the joint denuclearization declaration to nothing.

[Announcer] As one of the sides that has promised and declared that it would denuclearize the Korean peninsula, the South rulers must prove their will for denuclearization with actions. However, they are openly committing acts that run counter to the denuclearization of the Korean peninsula. How can we tolerate this? How can we not get angry about this?

[O Il] Yes. As you know, the nuclear issue on the Korean peninsula was raised because the United States introduced, deployed, and stored approximately 1,000 nuclear weapons on this land. Therefore, if the nuclear issue on the Korean peninsula is to be resolved, U.S. nuclear weapons and nuclear bases must first be removed. Nevertheless, when people at home and abroad strongly demanded the withdrawal of the nuclear weapons, the United States had No Tae-u release the

so-called no-nuke declaration saying that there are no nuclear weapons in this land.

The United States deployed approximately 1,000 nuclear weapons on this land, has the duty to withdraw them, and has the right to use them. Nevertheless, it has resorted to pretense. Moreover, even though he is not a concerned party and has no rights at all, No Tae- u released the no-nuke declaration. Who will believe that the declaration is true?

[Announcer] Moreover, there are U.S. underground nuclear depots on this land, and this was revealed by the person who personally oversaw their construction. This has made No Tae-u's no-nuke declaration even more untrustworthy.

[O Il] As a result, the North has demanded full inspection of the U.S. nuclear weapons and bases in order to see if the nuclear weapons have been withdrawn. I think this is a just demand. Therefore, international public opinion welcomes the North's proposal, does it not? Nevertheless, the No Tae-u group is recklessly opposing the North's proposal for full nuclear inspection and insists on inspection of an equal numbers of sites, special inspection [tuksusachal], and, moreover, inspection of ordinary nuclear bases, all of which are not justifiable or fair. In this way, the No Tae-u group is building artificial obstacles to the Joint Nuclear Control Committee's activities.

[Announcer] The rulers insist on inspection of ordinary military bases. This is a scheme to exclude the U.S. nuclear bases and nuclear weapons from the inspection by placing ordinary military bases and nuclear bases on the same level.

[O Il] That is right. The No Tae-u group stubbornly insists on the so-called inspection of equal numbers of sites and special inspection [tuksusachal], which exclude the U.S. nuclear weapons and nuclear bases from the inspection. It does so because it has no will to implement the joint denuclearization declaration. [passage indistinct]. Moreover, it does so because of its criminal purpose of reducing even the North-South agreement into nothing.

[Announcer] [Passage indistinct]

[O Il] [Passage indistinct] During his talks with Foreign Minister Yi Sang-ok, Lehman, director of the U.S. Arms Control and Disarmament Agency, wholeheartedly supported the No Tae-u group's unreasonable inspection plan. He also babbled that North-South mutual inspection will make sense only when special inspection [tuksusachal], which is mandatory, is conducted. Moreover, what is intolerable is that during an interview with THE PACIFIC STARS AND STRIPES, RisCassi, commander of the U.S. forces in South Korea, stated that the United States has been preparing to resume the [words indistinct] Team Spirit joint military exercise next year. In this way, they are putting pressure on the North to ensure that it accepts their unreasonable proposals for inspection of equal numbers of sites and special inspection [tuksusachal].

[Announcer] RisCassi's criminal, violent remarks are intended to return the situation on the Korean peninsula to what it was before the adoption of the North-South agreement and the joint denuclearization declaration. They are an intolerable challenge to our 70 million fellow countrymen who aspire for peace on the Korean peninsula and its independent, peaceful reunification. These maneuvers have proven that the U.S. authorities, without freeing themselves from the outdated concept of the Cold War era, are trying to rush toward aggression and war in defiance of the era and public sentiment.

[O Il] That is right. All facts have proven that the No Tae-u group and the U.S. authorities, who protect and incite it, are fully responsible for the deadlock and lack of progress in the denuclearization of the Korean peninsula. This is because they are deliberately building obstacles to the process.

Removing the danger of nuclear war on the Korean peninsula and achieving durable peace and peaceful reunification are the unanimous desires of the era and our masses and their urgent task. If the rulers, turning a blind eye to this, are continuously building artificial obstacles to the denuclearization of the Korean peninsula, they will face the people's condemnation and denunciation.

[Announcer] [passage indistinct]

Commentary Urges South to Repatriate Yi In-mo

SK1006020992 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 8 Jun 92

[Commentary by station commentator Chong Pong-kil: "They Should Immediately Return Yi In-mo to the DPRK"]

[Text] Voices calling for the return of Yi In-mo, former Korean People's Army's reporter, to the DPRK are ringing out day by day. Sometime ago, the DPRK Red Cross Society Central Committee's spokesman issued a statement demanding Yi In-mo's return to the DPRK, and a rally in Naesong, Pyongyang City, adopted a letter of appeal to South Korean women.

Yi In-mo's wife and daughter sent letters to the UN Human Rights Committee, other international organizations, various countries' human rights organizations, and the world Red Cross organizations, appealing to them to help realize Yi In-mo's early return.

Earlier, Yi In-mo himself sent a letter to the International Red Cross president asking him to help with his return to the DPRK.

Likewise, South Korean dissident organizations, figures, and many good-natured and conscientious people who value humanism strongly demanded that Yi In-mo be

returned to the northern half of the Republic where his family members and relatives live. This is a very just, humanistic, and compatriotic demand.

Originally, the issue of returning Yi In-mo should have been resolved long ago. As everyone knows, Yi In-mo is a prisoner of war. Therefore, he should have been repatriated when war prisoners were exchanged shortly after the ceasefire.

The South Korean authorities, however, have not returned him. Instead, they forced him to spend 34 years in prison. Even though nearly one year has passed since the issue of repatriating him was brought up, the South Korean authorities still have not returned him to the northern half of the Republic where his family and relatives live.

Furthermore, when the seventh round of the North-South high-level talks was held, the South Korean rulers committed the violence of forcibly whisking away Yi In-mo, who tried to meet members of our side's delegation to hear about his wife and daughter. The South Korean authorities still have not returned Yi In-mo. This is not only a vicious challenge to the just demand of people at home and abroad, but also a violent infringement on humanism.

Returning Yi In-mo is an urgent issue that should be immediately resolved. He is 75 years old and has no relatives in the South to depend upon. Furthermore, because of a long prison life and hangmen's atrocious torture, he is physically handicapped and suffers from cerebral hemorrhage. It is hard for him to move. There is no knowing what will happen to him.

Allowing him to meet his wife and family members before he grows older and before it becomes impossible for him to meet them is a humane issue that brooks no further delay.

Although exchanging elderly parents-visiting groups between the North and South is scheduled for 15 August, there is no more urgent issue than Yi In-mo's return. Today when the North-South agreement, which stipulates free exchanges and reunions of North-South separated families and relatives, enters the practical stage, there is no reason for the South Korean authorities not to resolve the issue of returning Yi In-mo.

That the South Korean authorities have not returned Yi In-mo is contrary to the spirit of the North-South agreement. This is an unbearable crime against humanism and the idea of the Red Cross. It actually proves that resolving a so-called humane issue and dissipating the pain of separated families, about which the South Korean rulers have babbled, are deceits and sophistry to veil themselves with humanism.

The issue of returning Yi In-mo does not lie in realizing the wishes of an old couple living apart in the North and the South. In an article contributed to HANGYORE SINMUN, Pak Sung-po, standing cochairman of South Korea's Pusan Coalition for Democracy and National Reunification, claimed that returning Yi In-mo to his home will be a valuable foundation for expediting the implementation of the North-South agreement and for creating an atmosphere favorable for reunification.

Whether the South Korean authorities return Yi In-mo will be the yardstick that decides whether they have the will to implement the North-South agreement and whether they want the country's reunification. If the South Korean authorities have a fragment of conscience and a bit of concern about resolving a humane issue, they will return Yi In-mo to the northern half of the Republic without condition. Otherwise, the rascals will be more denounced and rejected by the people at home and abroad.

Japan's Peacekeeping Operations Bill Examined

SK1006104192 Pyongyang KCNA in English
1000 GMT 10 Jun 92

["Unbridled Militarism"--KCNA headline]

[Text] Pyongyang June 10 (KCNA)—Papers here today denounce the railroading of the "U.N. Peacekeeping Cooperation Bill" which makes legal the overseas dispatch of the Japanese "Self-Defence Forces" through the House of Councillors of Japan.

Noting that the passage of the "bill" has paved the way for Japan to become a military power and realize overseas expansion, NODONG SINMUN says that it is clear to everyone what consequences unbridled Japanese militarism will bring when it makes inroads into other countries and regions, unhindered.

The analyst points out:

It is ridiculous of the Japanese authorities to assert without liquidating the crimes of aggression that Japan is ready to participate in the "peacekeeping operation" [PKO] and contribute to the settlement of international issues.

Japan will have neither justification for its participation in the "PKO" nor qualifications to become a permanent member of the U.N. Security Council or exercise a political say in the international arena, unless her crime-woven history is totally liquidated.

The Korean and other Asian people will not allow Japanese militarism to make inroads overseas unbridled.

South Korea

IAEA To Show Video of DPRK Nuclear Plants

SK1006000792 Seoul YONHAP in English
2352 GMT 9 Jun 92

[Text] Vienna, June 8 (YONHAP)—The International Atomic Energy Agency (IAEA) will show its video recording of North Korea's nuclear facilities at a general meeting of its members here Wednesday afternoon (Wednesday Korean time).

The video was taken during a visit by Secretary General Hans Blix and his IAEA team that toured North Korea last month.

The 12-minute video tape, edited by IAEA, is said to show nuclear reprocessing plants reported by North Korea as "a radiochemical laboratory." It also shows both inside and outside of a large-scale nuclear power station under construction and operational machinery and equipment, according to IAEA sources.

In his report, Blix is expected to confirm that the plant that North Korea insists on calling "a radiochemical laboratory," will become large nuclear reprocessing facilities when their construction is completed, the sources said.

But the results of the inspection conducted by a team led by Wily Theis, a section chief of the IAEA's Safeguard Department, will not be reported at Wednesday's general meeting, the sources said.

The IAEA very rarely shows video tapes of its inspection of nuclear facilities to its member countries, the sources added.

Government To Hear IAEA Report

SK1006032592 Seoul YONHAP in English 0302 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—The government will work out steps to deal with North Korea's nuclear development after it hears the International Atomic Energy Agency (IAEA) report on its inspection of North Korea's nuclear facilities, a South Korean Foreign Ministry official said Wednesday.

The official said IAEA Director-General Hans Blix would report to members of the IAEA Board of Governors on his visit to North Korea and the result of IAEA's ad hoc inspection of nuclear capabilities in North Korea on Wednesday and would make a public announcement on Thursday.

He said the government would finalize its position for the board of governors' meeting opening June 15 after hearing Blix's report. North Korea's nuclear development was listed fifth among the 13 agenda items to be discussed at the meeting, he said.

Keenest attention would be paid to if North Korea has extracted only "a tiny amount" of plutonium as it claimed and if North Korea was extracting plutonium in other small-sized laboratories than the "radiochemistry laboratory" it claimed had produced the small amount of plutonium.

As long as North Korea accepts IAEA inspections sincerely as the nuclear safeguards agreement requires, the IAEA cannot demand the North scrap or stop construction of nuclear reprocessing facilities, the official said.

Government Seeks IAEA Action

SK1006045992 Seoul HANGUK ILBO in Korean 10 Jun 92 p 1

[Text] Concerning North Korea's recent acknowledgement that it extracted a small amount of plutonium from a radioactivity chemical laboratory under construction in Yongbyon, our government—which regards this facility as a nuclear reprocessing facility—will cooperate with major member states of the International Atomic Energy Agency [IAEA] Board of Governors and call on the IAEA to demand these facilities be abolished. In addition, the government decided to strongly urge North Korea to accept mutual North-South inspections at an early date. This was learned on 9 June.

A high-ranking government official revealed that "the government is pushing ahead with a plan to call on major member states of the IAEA Board of Governors, including the United States, Japan, Canada, Australia, and EC member nations, to demand that North Korea abolish its nuclear reprocessing facilities and accept early mutual North- South inspection. These countries will deliver keynote speeches at IAEA's regular June Board of Governors meeting on 15 June when the results of the IAEA's ad hoc inspection [imsi sachal] of North Korea's nuclear facilities will be reported."

The official also said: "In the past, we have closely cooperated with these board members on IAEA-level measures to jointly cope with North Korea's development of nuclear weapons."

Yi Si-yong, ROK ambassador to Austria and our delegate to the IAEA, will point out in a keynote speech at the Board of Governors meeting that North Korea more likely will use its radioactivity chemical laboratory in Yongbyon, which is already capable of extracting plutonium, for nuclear weapons development rather than for peaceful purposes in view of North Korea's nuclear technology. As a result, the international society is increasingly suspicious. Thus, our government will demand that these facilities be abolished soon.

Meanwhile, during his visit to North Korea last month, IAEA Secretary General Hans Blix defined North Korea's radioactivity chemical laboratory in Yongbyon as a reprocessing facility. He reportedly advised North Korea "to abolish these facilities because they evoked the international society's strong suspicion that North Korea is attempting to develop nuclear weapons." He also suggested that if the facilities are abolished, the IAEA may support North Korea with nuclear technology on light-water reactors and low-enriched uranium, which are both commercially viable.

A relevant government official stated that Hans Blix presented this advice and proposal nonofficially. The official said whether Hans Blix will include his remarks in his report to the IAEA Board of Governors on the results of his visit to North Korea is unknown. His

position, however, will greatly influence board members' views on North Korea's nuclear weapons development.

EC Links DPRK Ties to Nuclear Inspections

SK1006030592 Seoul KBS-1 Radio Network in Korean 0200 GMT 10 Jun 92

[Text] The 12 member states of the European Community have decided to demand that International Atomic Energy Agency [IAEA] inspection as well as mutual inspection between the South and North are preconditions for improving relations with North Korea and have informed North Korea of this decision, according to the Foreign Ministry.

The Foreign Ministry said that the 12 EC member states held a meeting of the Foreign Ministry directors in charge of Asian Affairs last 4 June in Brussels and agreed on making South-North mutual nuclear inspection a precondition for improving their relations with North Korea.

The Foreign Ministry added that the EC member states served notice on this decision to Kim Hong-nim, director of North Korea's Foreign Ministry in charge of European Affairs who was traveling to seven EC countries, including Portugal, from the end of last month through the beginning of June, and called on North Korea to accept South-North mutual inspection.

The Foreign Ministry explained that the EC member states made clear that improved human rights and a ban on exports of terrorism and weapons, along with South-North mutual inspection, are preconditions for improving their relations with North Korea.

North Korea has been investigating improved relations with the EC since it signed the nuclear safeguards accord last January, arguing that the nuclear issues will be settled when the IAEA starts its provisional inspection [imsi sachal].

It appears, however, that improved EC-North Korea relations will be hard to realize with the EC making South-North mutual inspection a precondition for improving its relations with North Korea.

North Korea has maintained diplomatic relations with only two countries among the 12 EC member states—Denmark and Portugal—and has opened a general mission in France.

South-North Nuclear 'Stalemate' Examined

SK1006103592 Seoul HANGUK ILBO in Korean 8 Jun 92 p 3

[Article by reporters Yi Kye-song and Sin Hyo-sop from the "Monday Forum" column: "South-North Nuclear Negotiations—The Report on the North's Nuclear Facilities by the International Atomic Energy Agency, IAEA, Constitutes a Crossroads"]

[Text] With the South and North failing to shape a mutual nuclear inspection regime by the end of May and conduct nuclear inspection during June, thus failing to fulfill an early agreement on conducting nuclear inspections, the nuclear negotiations have come to a stalemate. South-North relations, which on the whole seemed to be making steady progress, have also come to a stalemate accordingly.

Prime Minister Chong Won-sik sent a telephone message to the North to strongly express regret over and warn against the fact that the deadline for shaping the inspection regime has passed because of North Korea's passive attitude. Also, Korea and the United States are reported even to be discussing the resumption of the Team Spirit military exercise, which has been temporarily suspended, if North Korea keeps evading mutual nuclear inspection.

North Korea has already objected, causing tensions between the South and North to be aggravated. If the South and North fail to shape an effective inspection regime to verify the denuclearization of the Korean peninsula and thus remain in a standoff, the talks that the South and North have striven to make successful after twists and turns may fail to bear fruit. If and when this happens, it is greatly feared that reconciliation between the South and North and reunification may become remote accordingly.

The Progress of Negotiations

The nuclear issue between the South and North began to rise when our side's call on North Korea to completely dissipate misigivings that it may be developing nuclear weapons by accepting nuclear inspection by the IAEA clashed with North Korea's insistence that the tactical nuclear weapons under the control of U.S. troops stationed in South Korea be withdrawn and that nonuse of the nuclear weapons against the North be guaranteed.

In response to international pressure on it to accept nuclear inspections by the IAEA, North Korea called for simultaneous inspection, arguing that inspection should also be conducted in South Korea to verify whether the nuclear weapons deployed on U.S. military bases have all been withdrawn or not. Conversely, Korea and the United States refuted the proposal by saying that North Korea's agreeing to IAEA nuclear inspection is an obligation that it must fulfill as a matter of course as a signatory to the Nuclear Nonproliferation Treaty and that, therefore, calling for nuclear inspection of the military bases used by the U.S. troops in South Korea is unreasonable.

However, U.S. President Bush declared the abolition of the tactical nuclear weapons, and then President No Tae-u declared the absence of nuclear weapons on the Korean peninsula. Following this, our side agreed in part to North Korea's proposal for simultaneous nuclear inspection, thereby dramatically leading the two sides to sign the "Joint Declaration on Denuclearizing the Korean Peninsula" on 31 December last year.

Based on this declaration, the South and North inaugurated the South-North Joint Nuclear Control Committee on 19 March after seven rounds of contacts between the delegations of the two sides. They agreed to shape an inspection regime within about two months after the committee's establishment and to perform the first mutual South-North nuclear inspection within 20 days of the inspection regime's completion. Once our side demanded that pilot inspections be performed in Yongbyon and the U.S. military base in Kunsan before nuclear inspections began earnestly, but this fell on deaf ears in North Korea. Even the Joint Nuclear Control Committee had kept running around in circles without producing any results because of the North side's insistence that an agreement on fulfilling the joint declaration on denuclearization be reached before shaping the inspection regime and because of our side's rejection of the proposal with the argument that it was not necessary. Briefly, it appeared that a breakthrough was in the making, as the North side made a concession in the fourth round of meetings held on 12 May that it would agree to discuss the shaping of an inspection regime before anything else on the condition that the agreement on effectuating the declaration and inspection regime be included in a package agreement.

Nevertheless, the two sides failed to narrow the differences of opinion even at the end of the third round of committee meetings held for working on the draft of the inspection regime, and at the fifth round of the meeting held on 27 May they did not even agree on setting the date of the next meeting.

The Two Sides' Positions and Points of Contention

At the heart of the problem is the North side's demand that an agreement on implementing the joint declaration be adopted. On the premise that detailed practical regulations are necessary to ensure fulfillment of the Joint Declaration on Denuclearizing the Korean Peninsula, the North side has insisted on adopting an agreement on implementing a declaration that specifies the banning of participation in nuclear blackmail or nuclear conspiracy, the banning of military exercises, and joint South-North efforts against nuclear threats from abroad. In response to this, our side has maintained that the substance of the North side's draft of the agreement on implementing the declaration is but a reiteration of what has been specified in the Joint Declaration on Denuclearizing the Korean Peninsula and of the proposal for converting the Korean peninsula into a nuclear-free zone, which the North side had withdrawn when the declaration was adopted last year and, therefore, that there was no need to adopt it at present.

Even so, our side has offered a compromise proposal that if the North side agrees to the inspection regime ahead of other issues, our side can possibly contemplate its proposals except for portions that run counter to the ROK-U.S. Mutual Defense Treaty and other such issues.

The greatest points of contention in the inspection regime include the North side's principle of simultaneously dissipating misgivings, regulations governing the inspection of nuclear weapons and nuclear bases, and the principle of equal numbers, that is to say, the principle of mutuality and symmetry, and the special inspection [tukpyol sachal] system called for by our side. North Korea believes that the nuclear facilities in Yongbyon are what matters and sees the verification of U.S. nuclear weapons being withdrawn from U.S. military bases in South Korea as the key issue. So, the North side's principle of simultaneous dissipation of misgivings means that an inspection of the nuclear facilities in Yongbyon will suffice while the South side should agree to open all of the U.S. military bases to a simultaneous inspection in order to dissipate misgivings.

On the contrary, our side's position is that should the military bases in South Korea be open to inspections, then military bases in North Korea, too, should be included, without fail, in the targets of inspection and that under no circumstances can we compromise this principle of reciprocity, which is in accord with international norms.

Nonetheless, in its proposal our side maintains that the sites and number of annual inspections can be flexibly adjusted to a certain extent, taking into consideration the burden North Korea will bear in case the military bases are to be inspected on the principle of equal numbers.

The special inspection system is another point of acute contention between the South and the North. Our side insists that if we rely only on regular nuclear inspections, North Korea can hide nuclear facilities and nuclear materials for secretly producing nuclear weapons and that, therefore, if we are to block this kind of attempt by North Korea, our side should be allowed to unilaterally designate suspicious areas and conduct surprise inspections within about 24 hours after the notification.

Countering this, the North side opposes the special inspection system on the ground that it runs counter to the spirit of the joint declaration on denuclearization as the two sides have already agreed in the declaration that inspection shall be conducted by either side in a manner agreed upon by the two sides.

Prospects

The critical moment of the South-North nuclear issue is expected to come about 15 June, when the IAEA will make a report on the results of an inspection conducted in North Korea to a regular meeting of its Board of Governors. Our side still insists that misgivings about North Korea's nuclear development can be dissipated only when the mutual nuclear inspections are conducted independently of the IAEA inspections without fail. It also plans to take necessary steps after seeing the results of the IAEA inspection. Given the fact that North Korea had proposed to hold the next meeting on 16 June at the fifth round of the nuclear control committee, it is highly

likely that North Korea will come up with another date after seeing the results of the IAEA inspection.

Of course, it is very hard to guess at this stage what North Korea intends to do. However, if North Korea believes that misgivings about its nuclear development have been dissipated to a certain extent in the wake of the IAEA inspection, it is easy to guess that North Korea will expect the moral cause of our side's proposal for special inspections of military bases with a view to blocking the secret development of nuclear weapons to weaken. In fact, many believe that inspection of military bases, a verification that would be possible only when the two sides have built a considerable degree of mutual confidence, is not likely at present in view of the situation between the two sides. This being the case, if our sides finds a low possibility of North Korea developing nuclear weapons in secret as a result of the IAEA inspection, our side, it seems, will be flexible in adjusting the proposal for inspections of military bases. However, this will depend in large part on whether the United States, which has strongly insisted on special inspections of military bases, will change its position or not.

What is more, if the misgivings about North Korea's nuclear weapons development remain unchanged even after the IAEA inspection, it is difficult to rule out the arrival of a "nuclear winter," symbolized by such hard-line measures as the resumption of the Team Spirit exercise and the freezing of South-North relations as a whole.

North Welcomes Investment in Tumen River Project

SK1006023492 Seoul YONHAP in English
0152 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—North Korea would welcome South Korean investment in its "free economic trade zone" in the Tumen River basin centering on Najin and Sonbong, according to North Korean Vice Premier Kim Tal-hyon.

Officials at South Korea's Economic Planning Board (EPB) said that Kim revealed North Korea's position in an international conference on Tumen River development April 27-May 4 in Pyongyang.

South Korean firms would participate in a detailed feasibility study of the Najin-Sonbong area in 1994 and could begin investing in 1995, the officials said.

The Pyongyang conference, sponsored by the United Nations Development Program (UNDP), was attended by, among others, an 18-member South Korean delegation and 120 non-governmental specialists from Japan and the United States.

The UNDP Tumen River development plan comprises North Korea's plan focused on the Najin-Sonbong area, China's on Funchun, and Russia's on Vladivostok.

According to North Korea's plan on Najin-Sonbong development, announced by the Administration Council on Dec. 28 last year, the free trade zone will cover 621 square kilometers. Najin has an annual cargo capacity of 3 million tons and Chongjin, 8 million tons, and Sonbong can handle 2 million to 3 million tons of crude oil.

The area has a 405-km railway and a 431-km road network and the supply of electricity and water is smooth, North Korea said, arguing that the area had all the natural and economic conditions to become a Northeast Asian hub of transportation and processing trade.

North Korea's plan says the annual cargo capacity of Rajin will be expanded to 30 million tons, that of Chongjin to 20 milliion tons and that of Sonbong and Ungsang to 50 million tons.

The rail system will be electrified or expanded to a capacity of 50 million tons and a 306-km highway will be built on the site of the existing road, the plan says.

Najin-Sonbong will be developed into an intermediary trade zone linking Japan, China, Russia and Europe and the development will cost an estimated 4.2 billion U.S. dollars, according to the plan.

North Korea was working on a foreigners' enterprise law, a contract law and an income tax law to provide concrete terms of investment to foreign firms and the enactment would be completed by the end of the year, participants in the Pyongyang conference were told.

Kang Tae-hyong, an EPB director who attended the conference, said prospects were bright for South Korean firms to invest in the free trade zone as they had an advantage over foreign companies owing to geographical proximity and the same cultural and historical background, including language.

He said the resolution of the long-drawn-out dispute over North Korea's nuclear development would promote South Korea's investment in the region.

Yu Chang-hui, director of the Korea Institute for International Economic Policy, who also attended the conference, said North Korea declared Najin-Sonbong a free trade zone and part of Chongjin port as a free trade port on Dec. 28, 1991.

A free trade port differs from a free trade zone in that it does not offer preferential treatment to foreign investment in most industrial sectors other than social infrastructure.

He said that although the free trade zone spans 621 square kilometers, there are many mountains and rivers and only 195 square kilometers could be developed.

Yu said North Korea had neglected telecommunications in its Najin-Sonbong development plan and the area had poor infrastructure in that regard.

Japan conducted a field survey of the area in December last year and plans to send a large delegation to observe port facilities in North Korea in August, he said.

Russia was trying to publicize its Vladivostok free economic zone plan instead of commenting on North Korea's plan.

China was keenly aware of the competitiveness of its Hunchun development with North Korea's Najin-Sonbong plan and the Chinese delegation to the Pyongyang conference emphasized that their central government was paying greater-than-ever attention to the Hunchun development plan, he said.

Small Firms Allowed To Use Foreign Labor

SK1006031992 Seoul THE KOREA HERALD in English 10 Jun 92 p 8

[Text] More small and medium enterprises which require hard manual labor under harsh conditions will be allowed to use foreign labor in the form of technical trainees.

So far, the government has permitted only those small businesses which have investments abroad or technological ties with foreign companies to employ foreign workers within 10 percent of existing manufacturing employees under the pretext of providing technical training to foreign partners.

From now on, the small firms in five industrial lines will be able to recruit workforce abroad regardless of their foreign business records, said officials at the Ministry of Trade and Industry yesterday. The five industries to benefit from the relaxed stance are dyeing, plating, heat processing, molding and machinery.

The latest government move is designed to help ease the serious manpower shortage at the domestic SMEs, particularly those in the so-called "3-D" industries with a dirty, difficult and dangerous work environment, they said.

According to the ministry figures, the number of workers at the domestic SMEs was 220,000 short of the optimal level in the first quarter of this year. There are also more than 70,000 illegal foreign laborers in the country, including about 30,000 Chinese of Korean ancestry.

Under the loosened rules, the MTI can recommend that the Ministry of Justice temporarily permit the introduction of foreign technical trainees by SMEs, firms with full-time employees of between five and 300, in the five industries.

Late last month, the Trade and Industry Ministry notified the five related industrial cooperatives of the new rules, telling them to conduct precise demands for the foreign workforce on this formula. The maximum number of foreign workers that can be employeed by a single firm is limited to 50, the officials said.

They did not elaborate on the total number of foreign laborers who are expected to enter here under the relaxed system.

The hiring period of foreign trainee-workers is fixed to within six months but can be extended by another six months to a year.

The previous rule that strictly limits the qualification to firms with overseas business records have virtually excluded most SMEs with little foreign business experience from benefits.

The latest move, made under the direction of President No Tae-u to keep his pledge to small business owners, may cause some adverse problems, industry watchers say.

With the nation's unemployment rate rising higher than before and labor management relations remaining an unaccomplished task, the hiring of foreign workers under any pretext is not desirable, they said.

The firms, to solve their manpower problem, should also first make self-support efforts such as through factory automation and raising work efficiency and productivity rather than resorting to cheap foreign labor as a stop-gap measure, they said.

Trade Deficit Contrasted With Taiwanese Surplus

SK1006062592 Seoul YONHAP in English 0123 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—The trade gap between South Korea and Taiwan has grown 10-fold in three years, the Korea Institute for Industrial Economics and Trade said Wednesday.

In 1988, Korea had its biggest ever trade surplus, 8,886 million U.S. dollars. That same year Taiwan had a surplus of 10,994 million dollars.

But Korea had a 9,655 million-dollar deficit last year, while Taiwan had a 13,299 million-dollar surplus, widening the difference between the two countries to 22,954 million dollars.

For the first quarter of the year, the gap in trade performances was 6,409 million dollars, with Korea suffering a 3,848 million-dollar deficit and Taiwan having a 2,561 million-dollar surplus.

Taiwan has had chronic red ink in trade with Japan in recent years, registering a 9,693 million-dollar deficit last year, 1 billion dollars bigger than Korea's 8,764 million-dollar deficit, but covering this by its trade with other countries.

Taiwan came out 23,000 million dollars ahead but Korea fell 900 million dollars short in trade with countries other than Japan last year.

Korea had a 1,811 million-dollar deficit, while Taiwan had a 5,091 million-dollar surplus in trade with countries except Japan in the first quarter.

Korea's trade surplus with countries except Japan had been slowing since the turn of 1988 and finally turned into the red last year, but Taiwan widened its surplus although its deficit with Japan got bigger.

Korea was 12,811 million dollars in the black in 1988, 4,900 million dollars in 1989, and 1,100 million dollars

in 1990, but 891 million dollars in the red last year in trade with nations other than Japan.

Taiwan was 17,048 million dollars in the black in 1988, 21,000 million dollars in 1989, 20,159 million dollars in 1990 and 22,992 million dollars last year in trade with countries except Japan.

Government Considering Releasing Yi In-mo

SK1006041492 Seoul HANGYORE SINMUN in Korean 10 Jun 92 p 1

[Text] The government is positively examining the possibility of returning Yi In-mo, long-term leftist offender for refusing to convert to South Korea, to North Korea before South-North separated families meet on 15 August—National Liberation Day.

A high-ranking government official revealed on 9 June that departments related to North Korean affairs, including Chongwadae and the Ministry of the National Unification Board, agreed that returning Mr. Yi to North Korea will greatly help in advancing on-going South-North dialogue. It is also desirable from a humanitarian viewpoint. The official also revealed that President No Tae-u had ordered that returning Mr. Yi be examined positively.

It seems highly possibile Mr. Yi will be returned to North Korea via Panmunjom before or after 15 August.

Security-related agencies, however, including the Agency for National Security Planning and the prosecutor's office, strongly oppose his return, so Mr. Yi's return to North Korea possibly may be delayed or even dispelled.

Security-related agencies are opposed to Mr. Yi's return to North Korea because of the principle of equity regarding other leftist offenders; because the status—alive or dead—of South Korean figures forcibly kidnapped to the North has not been confirmed; and because of the National Security Law.

The Agency for National Security Planning opposes Mr. Yi's return because of the North's attitude regarding its nuclear inspection. The agency is calling for strong measures against the North such as withholding South-North dialogue.

Candidate's Statement on Communism Criticized

SK1006031592 Seoul THE KOREA TIMES in English 10 Jun 92 p 6

[Editorial: "Chong's Remarks on Communism"]

[Text] Political leaders are expected to be prudent in their remarks and behavior, especially when they are presidential candidates. But a recent statement made by Chong Chu-yong, presidential nominee of the opposition Unification National Party [UNP], was inappropriate and even dangerous.

Chong was reported as contending in a panel discussion that the government should not block communists from organizing a political party, so long as they do not do any harm to the nation's democratic constitutional order. He went so far as to add that the National Security Law should be abolished on the grounds that the law breaches the rights of freedom of thought and association.

As was anticipated, his remarks invited acrid criticism from political circles. The ruling Democratic Liberal Party [DLP] has charged the Chong statement with being a direct challenge to the Constitution and liberal democracy and a disservice to the nation's security.

And rather unexpectedly, the main opposition Democratic Party [DP] leader Kim Tae-chung termed Chong's call for toleration of a communist party impractical under the existing legal system, inappropriate in view of the current inter-Korean relationship and incompatible with the national sentiment.

Apparently bewildered at the furious response, Chong has tried to vindicate himself, saying that it was to emphasize the importance of free democracy and the inability of communism to cope in the present world. And Chong's party accused the ruling party of distorting his remarks.

Admittedly, Chong may not have meant to promote any communist movement or ideology, in consideration of his own career as a top capitalist. Chong is one of the persons who has benefited most from the free economic system in the country and he has actually lashed out against radical or left-leaning unionists in his campaigns.

Therefore, it is assumed that he made the controversial remarks offhandedly to a leading question. If not, his remarks must have stemmed from a calculated intent to seek popularity from among some radical elements ahead of the presidential election. This is quite possible as Chong has often uttered audacious and sometimes wayward policy ideas both to the welcome and to the embarrassment of the people.

But his latest statement was extreme. Although he is not alone in demanding the abolition of the National Security Law and some opposition parties as well as activist students have advocated this, they have not yet called for the toleration of a communist party, whether for tactical reasons or not.

Anti-communism has been the nation's cardinal policy for the past four decades and there is hardly any reason to change the policy goal. This is because the communists in the North have never abandoned their long-standing strategy of unifying the whole of Korea by Stalinist revolutionary means, different from the communist parties in Japan and some other Free World nations which now accept free markets, parliamentary politics or democratic constitutions.

With the aggravation of public opinion by his remarks, Chong owes the nation a clear-cut clarification. If he

intended to exploit the statement to curry popularity, he certainly has a wrong idea about the current sentiments of the majority of people.

Kim Chong-pil's, Pak Tae-chun's Clout Declining

SK1006031792 Seoul THE KOREA TIMES in English 10 Jun 92 p 2

[Text] Ruling Democratic Liberal Party (DLP) co-chairman Kim Chong-pil is visiting the United States and another co-chairman Pak Tae-chun plans to make a tour of Moscow and the United States beginning Friday.

Kim is to receive an honorary Ph.D in political science from the University of Utah while Pak will take an honorary Ph.D in economics from Moscow University as well as the Willy Korf Award from the World Steel Dynamics and the America Metal Market magazine.

Kim is to return home sometime next week after June 15, while Pak will return on June 26.

The aims of their overseas trips are said to be to get the scholastic degrees. But, in fact, they are aimed at making a temporary exodus from a political morass at home.

In the May 19 presidential nomination convention of the ruling party, Kim was on the winner's side by supporting DLP executive chairman Kim Yong-sam, while Pak was on the loser's side by backing Yi Chong-chan.

However, both of them are losers, in a sense, in the in-house power struggle as Kim Yong-sam grabbed the party ticket to the December presidential vote.

Now that Kim Yong-sam is treated as the center of the ruling camp, the co-chairmen who were in rivalry with executive chairman Kim for a long time have been pushed out of the political spotlight and have no outstanding roles in the party.

Co-chairman Kim's political clout began to wane from the March 24 general elections in which he lost most of his henchmen from his power base in the Chungchong provinces. His status was downgraded from a leader of 35 loyalist lawmakers to one of 10.

There were expectations that Kim would fill Kim Yong-sam's shoes as party executive chairman in return for his support of Kim Yong- sam in the nomination race.

But, in recent days, the expectations bubbled away as the ruling party moves to maintain the current leadership format, which Kim Chong-pil may take as a sign he is being pushed to the sidelines.

Pak also saw his status shaken. He may feel small with only several lawmakers following him.

Wrongly reading President No's mind and his backing of Kim Yong-sam in the nomination race. Pak stood against Kim Yong-sam supporting Yi Chong-chan.

Now, he has severed his ties with Yi and made it clear that he accepted the result of the nomination convention, meaning that he will help Kim win the president elections.

On June 3, he expressed his loyalty to Kim Yong-sam in a seminar of DLP legislators.

If presidential nominee reinforces his in-house power, Pak's status in the party will be downgraded further. Pak's aides have said that Pak has begun to be skeptical about politics in recent days.

Poll Shows Support for Postponing Local Elections

SK1006061692 Seoul YONHAP in English 0524 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—The ruling Democratic Liberal Party [DLP] said Wednesday nearly half the people support the postponement of local elections until 1995.

In a survey by Korea Survey Gallup Poll Ltd., 47.9 percent of those polled said they were in favor of postponing the elections of provincial governors and mayors, 40.6 percent said they were opposed to postponement and 11.5 percent either said "no comment" or "don't know."

Gallup questioned 822 adults over 20 years of age throughout the country except for Cheju Island on June 6-7.

DLP spokesman Pak Hui-tae said the survey backed up the ruling party's desire to delay the local elections because of the political and economic burden they would impose on the nation, which is holding two other major elections this year.

The local election issue has become a major stumbling block in the DLP's efforts to open the 14th National Assembly. Opposition parties refuse to hold the opening session of the Assembly unless the ruling party agrees to hold the local elections this year.

Some 38 percent of those surveyed said they supported the DLP position with regard to the opening of the National Assembly, while 32.4 percent said they were in favor of the opposition parties.

Asked whether the March general elections had any adverse effect on the economy, 67.5 percent said yes and 22.2 percent said not much or none at all, showing that many ordinary citizens believe elections generally work against economy.

Defense Ministry To Aid Agent Orange Victims

SK1006024292 Seoul YONHAP in English 0206 GMT 10 Jun 92

[Text] Seoul, June 10 (YONHAP)—The Defense Ministry announced Wednesday it would recognize Vietnam War veterans as victims of Agent Orange if military doctors said they were suffering from the toxic defoliant used by the United States during the war.

"It is difficult for medical doctors to prove whether or not Agent Orange is directly responsible for causing the ailments suffered by a number of Korean veterans of the Vietnam War merely by undertaking medical checkups or studying their claims, since the agent was used some 20 years ago," a ministry spokesman said.

"The ministry plans, however, to recognize all the veterans who claim to be suffering from the defoliant if doctors diagnose them to be affected by the agent," he said.

The ministry has asked the U.S. military for information and materials on the areas in which they had used Agent Orange during the Vietnam War, he said.

Cancer and cirrhosis have been recognized as side-effects of exposure to the defoliant in the United States, but other symptoms are still being debated in medical circles, he said.

The ministry has received 556 complaints from veterans who claim to be suffering from the effects of the toxic agent.

Burma

Delegation Discusses Repatriation With Bangladesh

BK0606105492 Rangoon Radio Burma in Burmese 1330 GMT 5 Jun 92

[Text] A coordination meeting between an eight-member Burmese delegation led by U Aung Sein, director of the Department of Immigration and Manpower, and a 12-member Bangladesh delegation led by Mr. K. H. Shaheedul Islam, commissioner for relief resettlement, was held at 1420 yesterday in the guest house of the Bangladesh Roads Department in Cox's Bazar, Teknaf, to discuss repatriation.

At the meeting the leader of the Burmeses delegation presented the lists of Burmese names of wards and villages prepared according to the names of townships and charts showing supplies at reception centers. The two sides coordinated on difficulties encountered in their work and measures to reduce these difficulties, as well as on ways to facilitate and expedite the repatriation process.

The meeting discussed matters related to speedy repatriation of 9,000 persons contained in the first and second lists compiled and presented by the Burmese side and compilation of new lists which will be presented systematically.

Official Inspects Returnees Reception Centers

BK0906151092 Rangoon Radio Burma in Burmese 1330 GMT 9 Jun 92

[Text] U Maung Aung, director general of the Immigration and Manpower Department [IMPD], inspected the reception centers opened in accordance with the agreement reached between the leaders of Burma and Bangladesh for the repatriation of those persons who fled to Bangladesh from Burma.

IMPD Director General U Maung Aung accompanied by U Tin Pe, director of the Foreign Ministry Political Department, and BBC correspondent Mr. Roger (Silerman) inspected the Taungpyo Letwe No.1 reception center and Khamaungseik village this morning and returned to Maundaw by helicopter.

The director general and party accompanied by the director, chairman of the township law and order restoration council, and responsible personnel arrived at the No.4 reception center at Kanyinchaung village and inspected the living quarters for the returnees, forward scrutinizing offices, reception plans, food and commodities to be distributed, health clinics, and list of persons to be repatriated. The director general and entourage left Kanyinchaung village at 1410 after giving necessary instructions to responsible personnel.

At 1630, U Maung Aung, IMPD director general and Burma delegation leader, and Mr. (Omar Faruk), commissioner of Chittagong and Bangladeshi delegation leader met and held discussions at (?Myenu) Hall in Maungdaw. At the meeting, matters relating to the repatriation and reception of returnees, and the prevention of future illegal crossings along the entire border were discussed. The Burmese side also discussed the early repatriation of those who had already been scrutinized since the reception centers in Burma have been prepared to receive the returnees from 15 May.

The meeting ended at 1700.

More Political Detainees Released From Detention

BK0906142992 Rangoon Radio Burma in Burmese 1330 GMT 9 Jun 92

[Text] Twelve men, against whom action was taken in accordance with the existing laws and who were serving sentences, were released from Insein Central Jail today in accordance with the State Law and Order Restoration Council's [SLORC] Declaration No. 11/92.

Responsible officials from the Directorate of the Defense Services Intelligence visited the Insein Central Jail this afternoon and met with those who were to be released and read out to them SLORC's Declaration No. 11/92 issued on 24 April and the order of the home affairs minister regarding the reduction of jail terms imposed.

Those to be released were then permitted to meet with their families and were later released.

Brunei, Malaysia & Singapore

Malaysia

Joint Petroleum Exploitation With SRV Viewed

BK0806132692 Kuala Lumpur Voice of Malaysia in English 0800 GMT 8 Jun 92

[Station commentary]

[Text] After only three days of talks, Malaysia and Vietnam have concluded a pact to jointly exploit petroleum resources in overlapping areas in the Gulf of Thailand. The agreement signed last Friday marked a new stage in bilateral ties between the two countries, both of which are trying very hard to bring economic linkages to a more meaningful level.

To this end, Malaysia's national oil corporation Petronas and its Vietnamese counterpart Petro Vietnam will soon endorse a commercial pact to put into effect the agreement just signed. The areas are about 300-km long and 40-km wide where oil reserves could be substantial. It, however, does not include the disputed Spratly Islands now claimed by six countries.

Given Malaysia's background in petroleum exploration, there is much it can offer Vietnam in terms of technological expertise. In contrast, Vietnam, although rich in oil, does not have a refinery. As such, the crude oil produced could be processed in Malaysia. The latter believes in helping its Indochinese counterpart to find

lucrative export markets. Apparently, Malaysia is already exploring for oil in Vietnam on a production-sharing basis.

All this would go a long way paving the way for increased trade between the countries, which currently is (?slow). Total trade in 1990 was only about 140 million ringgit, but grew impressively to 235 million ringgit last year. Added to this, Malaysian investment now is a meager 66 million ringgit in Vietnam, compared with other countries after they take off in a big way.

The speed at which the talks were concluded within three days reflects the spirit of mutual trust, friendliness, and neighborliness prevailing between the two countries. Politically, it confirms Malaysia's commitment to foster cordial and mutually beneficial relations with Vietnam. This policy ties in well with Vietnam's efforts in economic reconstruction. In fact, in the years following the Vietnam war in 1975, Malaysia was among the first and most active Asian countries to extend economic and technological cooperation to Vietnam.

The success achieved by Malaysia and Vietnam should serve as an example to other countries as to how they could work together despite having differences. A similar approach should be made by countries having a joint claim on the Spratly Islands. They should make the political commitment to negotiate through peaceful means so as to arrive at an amicable solution. A confrontational stance would make such sensitive issues a lot worse. Malaysia and Vietnam have proven that a peaceful approach gives benefits to all concerned.

Trade With China Expected To Increase

BK1006090892 Kuala Lumpur NEW STRAITS TIMES in English 6 Jun 92 p 18

[By Jahabar Sadiq]

[Text] China expects its bilateral trade with Malaysia to increase to about US$1.5 billion (about $3.75 billion) this year compared with US$1.33 billion last year. The optimistic forecast follows the annual double-digit growth in bilateral trade between both countries since 1987.

The commercial counsellor of the Chinese Embassy in Malaysia, Mr. Chen Zhixiao, said in Ipoh yesterday that there was an equal balance of trade between both countries and this augured well for bilateral economic ties.

He told newsmen this after handing-over ceremony for the Menara Tambun [Tambun Tower] construction package involving Ipkuda Sdn Bhd [Company Limited] and Chinese construction company Cicet (M) Corporation Sdb Bhd.

Chen disclosed that China had been the largest importer of Malaysian palm oil in the past two years with an annual imports of more than one million tonnes.

"We expect to import more palm oil this year apart from importing natural rubber, timber and other commodities from Malaysia," he said.

Chen praised Malaysia for its numerous investments in China, saying that direct Malaysian investments there totalled US$53.7 million involving 62 projects.

"The figure is not reflective of Malaysia's massive investments in China as Malaysian companies through their Hong Kong and Singapore subsidiaries have funneled up to US$300 million in investments," he said.

On China's investment in Malaysia, Chen said there were currently 34 joint-venture projects in the country with 21 in the manufacturing sector.

The project include a stainless steel factory, paper mills, enamelware and an electrical goods factory.

"China is also involved in several construction projects but all are on a joint-venture basis."

He added that China was also venturing into the services sector with the setting up of import-export agencies and the supply of Chinese chefs to restaurants in Malaysia.

"There are several Chinese chefs in Malaysia and one of the new ventures this year includes a Chinese Muslim restaurant with chefs from China," Chen said.

Cambodia

SNC Convenes To Discuss Second Phase of Plan

BK1006062992 Hong Kong AFP in English 0611 GMT 10 Jun 92

[By Jean-Claude Chapon]

[Text] Phnom Penh, June 10 (AFP)—Cambodia's Supreme National Council (SNC) convened Wednesday in a pessimistic mood as the Khmer Rouge appeared to set new conditions to agreeing to continue with the U.N.-backed peace plan.

The Khmer Rouge is blocking the peace process by refusing to comply with conditions of the U.N. Transitional Authority in Cambodia (UNTAC) in preparation for the launch of the second phase of the plan, due to begin June 13.

Prince Norodom Sihanouk, chairman of the SNC, a reconciliation body grouping the four factions of Cambodia's 13-year civil war under the terms of the October peace plan, told journalists before the meeting he was "anxious about the possibility of being able to proceed to phase two."

He added however that he hoped the Khmer Rouge would make "some efforts so that we can after all achieve something." But the Khmer Rouge appeared instead to have toughened its stance, according to documents distributed to journalists by the Marxist faction before the meeting.

Until now, it has set two preconditions to go ahead with the next phase, which envisages the cantonment and disarmament of the four factions' 200,000 troops and the demobilisation of 70 percent of them.

The dominant resistance faction has demanded the United Nations confirm all Vietnamese troops have withdrawn from Cambodia and that the Phnom Penh regime hand over all power to the SNC.

Vietnam installed the government in Phnom Penh in January 1979 after its troops invaded Cambodia and overthrew the Khmer Rouge. Hanoi officially announced the withdrawal of all Vietnamese troops in September 1989.

According to the documents, the faction has added two new conditions.

The documents—a transcription of the speech Khmer Rouge leader Khieu Samphan is to deliver to the SNC—spell out demands for changes in the election law to exclude Vietnamese residing in the country from taking part.

Another opposition movement, the Khmer People's National Liberation Front of former premier Son Sann, has already made this demand.

In the documents, the Khmer Rouge also demanded guarantees that foreign aid envisaged in the peace plan for the reconstruction of the country devastated by two decades of war would not end up in the hands of the Phnom Penh regime.

Before the meeting, Prince Norodom Ranariddh, Sihanouk's son and leader of the third opposition faction FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], stressed his group would not comply with the terms of the second phase unless the Khmer Rouge did so too.

"No games," he told AFP. "It's a matter of life and death."

The Khmer Rouge are held responsible for the deaths of a million Cambodians under their bloody four-year rule in the 70s, which was brought to an end by the Vietnamese invasion.

CPAF Maintains Right of Self-Defense Against KR

BK1006085792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 10 Jun 92

[Text] On 6 June in Phnom Penh, at a press conference on the situation regarding the implementation of the Paris accord, especially the start of the second phase on 13 June, Brigadier—one star—Neang Phat, the spokesman of the Defense Ministry, said the Cambodian People's Armed Forces [CPAF] in all circumstances withholds the right of self-defense as well as the right to maintain security for the people at a time when the Cambodian opposition group is committing violations in the areas controlled by the State of Cambodia [SOC]. In the presence of the correspondents of AFP [Agence France-Presse], UPI [United Press International], [words indistinct], and XINHUA and a great many national journalists, General Neang Phat, pointed out violations committed by the Khmer Rouge [KR] against the SOC's sovereignty, saying since the signing of the Paris 23 October 1991 accord, the KR have not abided by the accord in the least. They have instead intensified activities to make gross encroachments upon the CPAF's positions and the innocent people's localities in a number of provinces, such as Kompong Thom, Kampot, Kompong Cham, Battambang, and Siem Reap-Oddar Meanchey. And more seriously, the KR's recent attacks on Kulen and Sangkum Thmei Districts in Preah Vihear Province caused over 6,000 people to face lack of shelter and food as they were forced to flee from their houses, property, and cattle to avoid the havoc wreaked by the KR.

In the face of the disaster provoked by the Party of Democratic Kampuchea upon their Cambodian fellow countrymen, the Defense Ministry's spokesman underlined that the CPAF will certainly not allow the KR to stir up trouble at will. The CPAF is duty-bound to carry out counterattacks to protect the compatriots in various localities, that is to say, the CPAF will not under any circumstances allow the KR to occupy Preah Vihear Province. He also clearly indicated that every party should remove its troops to the initial positions it occupied before (?22) February 1990; otherwise the SOC side will use its right to launch attacks in order to retake its positions that have illegally been occupied by the other Cambodian party.

Effective UNSC Measures Urged

BK0906111592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 8 Jun 92

[PRACHEACHON commentary: "Everybody Needs To Pitch in To Blaze the Trail of Peace;" date not given]

[Text] Only a few days separate the peace accord in Cambodia from the deadline on which the second phase of the implementation of its cease-fire will have to become effective. It is then that the implementation of the accord will reach the stage at which the regroupment of forces and weapons will be carried out in the cantonment areas and the 70-percent dissolution of the armed forces of all Cambodian factions will be effected.

Since the day Lieutenant General John Sanderson, military commander of UNTAC [UN Transitional Authority in Cambodia], announced the date for the start of the cease-fire's second phase, the State of Cambodia [SOC] faction has been most positively applying the 12 steps stipulated by UNTAC, including the effective and timely implementation of troop regroupment, the demarcation of minefields, granting permission for UNTAC to have unrestricted free movement in zones controlled by the SOC, and the successful implementation of the cease-fire's first phase. All of that shows the

goodwill and great perception of the SOC faction, which is always ready to make concessions to help promote the peace process in Cambodia. Being prepared to dissolve 70 percent of its forces and observing restraint at the gross violations by the Khmer Rouge faction within the process of implementing the accord does not mean that the SOC—which up to the present is in control of almost all of the population and territory—has lost its grasp or become weakened or incompetent. What we have done, and are doing now, is the result of our understanding that the stage of the bloody fighting among the Cambodians should come to an end, and what the SOC has opted to observe is all for the sake of peace, national reunification, national reconciliation, and happiness, which constitute the noble gains won at the cost of much blood, many lives, and considerable property of the nation and motherland under the protection and with the assistance of the United Nations.

However, what is most regrettable—contrary to the actions of the SOC—is that the Khmer factions in the opposition, especially the polpotist Khmer Rouge whose strategic goal remains to overturn our SOC, always try to obstruct and hinder the peace process. They have incessantly intensified violations of the cease-fire, provoking social instability in many regions. Not only have they disdained preparations for the implementation of the cease-fire's second phase, but they have continued shelling, pressuring, and seriously threatening the troop contonment areas of the SOC faction and the villages and localities of our people, especially those in the Provinces of Preah Vihear, Siem Reap-Oddar Meanchey, and Kompong Thom. They have continued overtly to deny UNTAC the right to conduct inspections in their zones. At the same time, they have made charges about the presence of Vietnamese troops without producing any clear back-up evidence. This is merely a pretext to prolong war activities, which not only obstructs the implementation of the cease-fire's second phase, but also can lead toward sabotaging the entire UN peace plan for Cambodia.

Facing such a situation, now more than ever, our people everywhere throughout the country must further raise their sense of vigilance and self-defense because the Khmer Rouge do not respect the accord. They rely on funds from the sale of Pailin's gem-rich earth and timber to continue massacring the innocent people while the other factions of the Cambodian opposition are fabricating instigational stories to make gradual political inroads to cause endless mutual resentment, contempt, and killings.

We are united around the People's Party and the SOC Government, the Cambodian Supreme National Council, and UNTAC, trying to push forward the peace process so that it makes a fundamental advance and helps turn our country into an independent, peaceful, democratic, neutral, and socially progressive nation free from the threat that the danger from the past might recur. We also appeal to the UN Security Council to take any concrete effective measure now to force the Khmer Rouge into correctly respecting all the phases of the implementation of the Paris peace accord. Otherwise, the elections in Cambodia will be delayed and the miseries and sufferings of the Cambodian people prolonged.

30 May-5 Jun Violations Detailed

BK1006021792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 9 Jun 92

[Text] According to the State of Cambodia's Commission for Coordination of Military Affairs with the United Nations, the Khmer Rouge faction at present has vigorously intensified violations of the cease-fire agreement. They have expanded their territory by capturing positions and are disseminating propaganda in an effort to win general elections to be organized by the UN Transitional Authority in Cambodia [UNTAC] next year.

From 0500 on 4 June so far, 150-200 Khmer Rouge soldiers have been encircling the townships of Kulen and Sangkum Thmei Districts [in Preah Vihear Province]. Over 6,000 people have fled from their villages, property, and cattle to take refuge in the jungle. Some women have had to give birth in the most miserable conditions in the jungle during storms and have been deprived of food.

Reports from Preah Vihear Province say from 30 May to 5 June, the Khmer Rouge elements from Divisions 616 and 612 and Front 1001 continued to fire 85-mm guns and rocket launchers H-107 two or three times an hour on the district townships of Kulen and Sangkum Thmei. It added that the Khmer Rouge are presently sending 300 troops with 85-mm guns and H-107 rocket launchers to Phnum Tbeng to attack the provincial town of Preah Vihear.

At 0800 on 4 June in Kompong Thom Province, Khmer Rouge elements from Division 802 fired four shells from 85-mm guns on Prasat Village in Prasat Sambo District, killing two villagers.

According to a report from Siem Reap-Oddar Meanchey Province, Khmer Rouge ground troops backed by artillery barrages on 4 June attacked Puok and Angkor Chum Districts and (?Ta Siem) in Svay Leu District, forcing the Cambodian People's Armed Forces to abandon the position of (Ta Siem). Meanwhile, the Khmer Rouge also sent in sizable reinforcements to attack and occupy the three districts.

At 2100 on 30 May in Kompong Cham Province, eight Khmer Rouge soldiers infiltrated Slaket village in Cheung Prey District and fired on innocent inhabitants. They also plundered their property and set fire to a rice mill. And at 1900 on 2 June, seven Khmer Rouge soldiers infiltrated Ti Muoy village, Kompong Preah Commune, Kroch Chhma District, to rob rice from villagers.

Refugees Protest Alleged UN Unfairness

BK1006032892 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 9 Jun 92

[Text] According to informed sources, many thousands of Cambodian people in the Thai Site 2 camp recently staged demonstrations to denounce the UN High Commissioner for Refugees [UNHCR] in the camp. The cause of the demonstrations was that those people could see that the organization had treated them unfairly. They said the organization had stolen all the money given by the United Nations and humanitarian aid for Cambodian refugees, and the miserable Cambodian refugees in Site 2 camp received only an insignificant amount of the aid. In addition, the demonstrators complained that the UNHCR gave $600 to each Vietnamese repatriated refugee but only $60 to each Cambodian refugee. As such, they could no longer allow the malpractice to go unchecked. All in all, the people merely exercised their rights in the demonstrations to demand justice.

Delay Affects 'Timetable'

BK0906100292 Hong Kong AFP in English 0901 GMT 9 Jun 92

[Text] Bangkok, June 9 (AFP)—The repatriation of Cambodians from Site-2, the largest refugee camp in Thailand, has yet to resume following demonstrations last week and the delay could threaten the program's timetable, a relief official said Tuesday.

The top Cambodian leadership at the sprawling settlement some 70 kilometers (40 miles) northeast of the Thai border town of Aranyaprathet "either is out of the camp or is not functioning fully," the official said.

The second- and third-level Cambodian leaders who have been running the camp are worried about their security. "They are taking some precautions," he said without elaborating.

United Nations and Western aid officials were going in and out of the camp Tuesday and there was no violence reported, he said.

The official said it was not clear when the repatriation program would resume at Site-2, and that the delay "makes it difficult to send as many home as possible by the end of the year. It makes it difficult to keep the program on track."

But he said he did not think the program would be canceled.

With a population of some 210,000 people, Site-2 holds about 60 percent of all Cambodian refugees inside Thailand.

The United Nations wants to send as many Cambodians home as possible by the end of the year so they may take part in elections scheduled for next spring under the peace accord that ended nearly 20 years of warfare in the country.

The repatriation of Cambodians from six other Thai camps has continued uninterrupted, but none have been sent home from Site-2 since demonstrations by several thousand people began there on June 1 to demand the returnees be given more cash.

The demonstrations turned to riots on June 3 and several people were injured before camp leaders and Thai security personnel regained control of Site-2.

Under the repatriation plan, the returnees have the choice of receiving land or cash—the equivalent of 50 U.S. dollars for each adult and 25 dollars for each child. The demonstrators were demanding each returnee receive 700 dollars, the equivalent of several years wages in impoverished Cambodia.

So far, more than 16,000 Cambodians have been repatriated.

Philippines

Ramos Supports Japanese Peacekeeping in Cambodia

HK1006053892 Quezon City MALAYA in English 10 Jun 92 p 6

[Text] Presidential frontrunner Fidel Ramos said yesterday he sees nothing objectionable in the participation of Japan in the UN peace-keeping force in Cambodia.

In an interview with a Japanese TV network, Ramos said he was "comfortable with the Japanese policy of sending peacekeeping forces under the umbrella of the United Nations.

He, however, declined to comment on the bill that recently passed the upper house of the Japanese Diet authorizing the Japanese government to send a peacekeeping force to Cambodia under UN supervision.

The bill had met strong opposition in the Diet as many Japanese see it as a step towards an active Japanese military role in the region.

Bangladesh Appoints New Ambassador to Manila

HK1006065392 Manila BUSINESS WORLD in English 10 Jun 92 p 11

[Text] The Philippines has extended its agreement to the appointment of Mohammad Abu Hena as the new envoy of Bangladesh to Manila, the Department of Foreign Affairs [DFA] announced yesterday.

The post has been vacant since Bangladeshi envoy Abdul Mannaf's departure in July last year.

No date has been fixed for Mr. Hena to present his credentials. DFA sources said that would have to await the next administration which is to assume office on June 30. The new Bangladeshi envoy will be arriving here from Tokyo, where he served a stint of just a little over a year as Ambassador before being appointed to Manila.

Mr. Hena has for the past 27 years served in varied assignments to the ministries of defense, civil aviation

and tourism, and local government, having begun his career under the Pakistani civil service prior to Bangladesh's secession.

Diplomatic sources indicated that his somewhat abbreviated stay in Japan was due to health considerations of his young son, one of two children.

Ramos Considers Changing Executive Structure

HK1006061192 Manila THE CHRONICLE in English 10 Jun 92 p 1

[By Manny Mogato]

[Text] President apparent Fidel V. Ramos is considering a new brand of political leadership marked especially by a change in the executive structure to suit a "strong take-charge" presidency, a close political aide said.

Ramos may even abolish altogether the office of the executive secretary, or "the little president," and replace it with a more low-key administrative office to coordinate policy- and decision-making processes in Malacanang and manage its bureaucratic affairs, his aide said.

Apparently in preparation for a hands-on leadership, Ramos has put himself in a crash orientation course in political and economic management, getting regular briefings from the executive branch's line agencies and going over proposals and studies on how to form his own government. His aide said Ramos had begun weighing nominations for his Cabinet.

He has also been meeting with his political and economic advisers as well as outside experts, mainly from the private sector and non-government organizations, as he prepares to draft major policies and list urgent problems.

"The new government actually wants potential appointees as more policy-oriented, politically inclined and with an impeccable track record in both government service and private practice," a political strategist close to Ramos said. "We want somebody who has expertise, experience, and above all strong integrity to serve the people. We are looking exactly at people who not only can deliver the best results but are forward-looking, with a broad perspective in policy- and decision-making."

The sources said the Ramos administration would be dominated by experts from the private sector, non-government organizations and from the career service.

There will be few ex-soldiers, they said.

Some incumbents are also being considered for re-appointment or transfer. Those who have performed exceptionally well and been noncontroversial are naturally the first choice, they said.

Partymen are not guaranteed automatic appointment. "We're actually building here an effective and efficient working team, so it does not matter whether one comes from our party or from rival parties," the sources said.

Ramos in fact has asked most partymen who ran and lost to "work with the NGO's" [nongovernmental organizations] and not to expect appointments in his government in line with his campaign promise to eliminate political patronage in Philippine politics. The same deal goes for family and friends.

His political advisers has hinted that, as part of reorganization of the executive bureaucracy, a Cabinet portfolio for energy and another for economic management may be created.

Energy and the economy will be among his precocupations during his first 100 days, they said.

He will also work for political stability which should go a long way in improving the business climate, they said. This hopes to achieve mainly by offering rival parties and organizations active roles in his government.

Ramos is undertaking all these preparations as he emerges as the President-elect with increasing clarity. He now leads in the congressional canvassing and is the apparent winner in the unofficial but accredited quick count.

According to high sources in the Lakas [Strength]-National Union of Christian Democrats (NUCD), the administration-backed coalition for which he ran, Ramos has already created a committee to screen prospects for his Cabinet. The main criteria governing the screening are track record, organizational affiliation, management expertise as it concerns delivering public services.

Ramos Retains Lead in Congressional Count

HK1006045892 Manila PHILIPPINE DAILY INQUIRER in English 10 Jun 92 p 1

[Italicized passage published in Tagalog]

[Text] Fidel V. Ramos yesterday held on to the lead in the official congressional tally of the presidential race but errors in the certificates of canvass from Batangas and Quezon City were noted.

As of 6:10 [1010 GMT] last night, Ramos of Lakas-NUCD [Strength-National Union of Christian Democrats] was credited with 2,800,385 votes, representing 22.66 percent of the 12.3 million votes counted so far.

Miriam Defensor-Santiago of the People's Reform Party [PRP] was 66,373 votes behind with 2,734.01. On Monday night [8 Jun] ramos was 105,294 votes ahead of her.

Only the certificates of canvass [COCs] from Batangas and Quezon City were included in the official Congress rally last night.

The joint Senate-House session has counted the votes from 47 certificates of canvass since May 29. The COCs cover 99,933 precincts, representing 58.66 percent of the 170,000 polling places nationwide.

In third place is Eduardo "Danding" Cojuangco of the Nationalist People's Coalition [NPC] with 2,183,520

votes; followed by ramon V. Mitra of Laban ng Demokratikong Pilipino [Struggle of Filipino Democratic-LPP] with 1,684,484; Imelda Marcos of Kilusang Bagong Lipunan [New Society Movement—KBL] with 1,206,134; Jovito Salonga of the LP/PDP-Laban [Liberal party/Filipino Democratic Party-Nation's Strength] Coalition with 1,181,135; and Salvador H. Laurel of the Nacionalista Party [NP] with 568,173.

Joseph Estrada of NPC remains ahead in the vice president race with 3,348,960. He was 970,789 votes ahead of his nearest rival, Marcelo Fernan of LDP who got, 2,378,171.

Third was Lito Osmena of Lakas-NUCD with 1,869,398 votes; followed by Ramon Magsaysay Jr. of PRP with 1,825,704; Aquino Pimentel of the LP/PDP-Laban Coalition with 1,019,157; Vicente Magsaysay of KBL with 353,847; and Eva Kalaw of NP with 183,230.

The lawyers representing different parties have been examining the COCs from Batangas and Quezon City, together with their accompanying statements of votes (SOVs), since yesterday morning but they were canvassed only at 5:21 p.m.

The chairmen of the board of canvassers from these two places were called to testify on big discrepancies between the number of votes reflected in the copies of COCs as well as SOVs.

In the case of Batangas, Salonga had 47,476 more votes based on the SOVs than in the COC.

In Quezon City, Cojuangco was credited with only 134 votes in the COC although he should have gotten 134,856 votes.

Both board chairmen blamed brownouts during the canvassing for the "discrepancies."

Macaria de Villa, Batangas chairman of the board of canvassers, explained corrections were made on the votes of Santiago in the carbonless-seven-copy COC.

However, the board overlooked the fact that the corrections were not reflected on the six other copies and only on the first original page of the COC.

Later, she said, they noticed that there was discrepancy on the votes of Salonga.

The COC had 19,214 votes for Salonga but the total from the SOVs was 67,690.

"*Because of the brownouts, the teachers panicked*" De Villa said.

Maria Victoria Estuesta, chairman of the board of canvassers in Quezon City, cited the same reason in her letter to the 14-man congressional committee handling the canvassing.

She said that on May 27, a brownout occurred when Comelec clerk Evelyn Bautista was typing the votes of Cojuangco on the COC.

Estuesta said Bautista had typed the votes in figures and was beginning to type the figure in words—one hundred thirty four—when the lights went off.

When the lights went on, Bautista neglected to finish typing the figure in words, Estuesta said.

Despite lawyers' charges the testimonies were not credible, the committee went ahead with the canvassing.

The committee held a closed-door meeting to rule on a written request by Cojuangco that election returns from Cebu, Iloilo, Pampanga and Pangasinan be opened.

The committee rejected, the request, saying it was unnecessary and rejected by lawyers of other candidates.

Moving Toward Coalition in Congress

HK1006071292 Manila THE CHRONICLE in English 10 Jun 92 p 4

[Editorial: "The Forthcoming Coalitions of Convenience"]

[Text] The Ramos camp, according to reports, has initiated exploratory talks with both the Laban ng Demokratikong Pilipino [LDP—Struggle of Filipino Democrats] and the Nationalist People's Coalition [NPC]. The talks are being undertaken with the perspective of arriving at a coalition arrangement with either of the two major parties.

Exploratory talks have been held with Ramon Montano of the NPC and Rep. Jose Yap (Tarlac) of the LDP. No information has been released regarding the substance and outcome of the negotiations.

It is understandable that the Ramos camp is interested in a coalition arrangement with another major party.

Although the standard bearer of the Lakas-Edsa NUCD [Strength-Epifanio de los Santos Avenue National Union of Christian Democrats] appears well on the way to victory over six other rivals, the party did not do well enough in the senatorial and congressional elections. Only two Lakas senatorial bets made it to the 24 top slots. Only a handful of Lakas congressional candidates hurdled their districts.

Without a coalition arrangement in the Congress, the Ramos administration shall have difficulty influencing the legislative agenda in favor of its policy priorities. The spectre of an uncooperative Congress hangs heavily over the forthcoming minority presidency.

The LDP clearly dominates the Senate. With a clear majority, the party may freely choose the leaders of that chamber and divide up the key committee assignments among party members. The Senate minority posts shall obviously go to the second largest party grouping in the

chamber, the NPC. This political battleground is lost insofar as the Lakas is concerned.

In the House of Representatives, however, the Lakas is in a better position to maneuver for a coalition arrangement.

The LDP still has the largest contingent in this chamber, assuming the party survives what is quickly turning out to be a bitter intramural war for the party's choice of nominee of Speaker of the House. The LDP contingent, however, is not large enough to constitute an outright majority.

In this arena, the Lakas has already won the support of the small Liberal Party [LP] bloc. In coalition with an intact LDP, the Lakas-LP could influence the distribution of committee assignments and participate in designing the Legislative agenda. In the event of an LDP break-up, the Lakas could perform as a catalyst, bringing together fragments of the LDP, the small LP grouping and even the NPC. In this outcome, the Lakas congressmen could play a lead role in the coalition.

Congressmen, more than the senators, are open to amiable and cooperative relations with the Executive branch. The presidency's control over the distribution of public services is an enticing carrot to hold before congressmen who have to run for re-election in three years.

It is perfectly politic for the Lakas to be actively engaged in opening coalition possibilities in the Congress. There is no room for political indolence at this point. A minority presidency without any leverage at all in the legislative branch puts itself in danger of being politically isolated from its first day in office.

It is imperative for the Lakas partisans to explore every opportunity for winning legislative leverage.

But political necessity must not be allowed to diminish political principle.

In a situation where political party affiliation is brittle and party discipline is weak, it is tempting to follow the path of least resistance. It is always easier to build coalitions of convenience rather than coalitions of principle. A carrot-and-stick coalition, however, is most unreliable. It is, surely, not healthy for the maturity of our political system in general and our political party culture in particular.

The evidence to the contrary, we can only hope that some effort will be put towards rebuilding political alliances on the basis of common commitment to a vision and a program.

Self-interest is, of course, more predictable and the contingencies of forming new alliances in time for the inauguration of the new administration are rather urgent. But there should be enough in all the political camps who are able to look beyond short-term necessity and take a longer view in the direction of a mature and modern political culture.

Estrada Pledges Cooperation With New President

HK1006053692 Manila PHILIPPINES NEWSDAY in English 10 Jun 92 p 3

[By Jose H. Macaspac III]

[Text] Senator Joseph Estrada, who is most likely to be the next vice president, yesterday said he would cooperate with the new president but would never be subservient to him.

Adopting the policy of the Liberal Party, which he left before he started his campaign, Estrada said he would coordinate development projects with the incoming government, particularly those involving the basic services, so that the people could immediately be benefitted by these projects.

Estrada said he was voted into office to work for the people and not to be a stumbling block to the implementation of government projects.

"If ever I will join the Ramos Camp," Estrada said, "the policy that I will follow will be cooperation without subservience."

He said he would work with the new government for as long as "it will be for the national interest."

"If it goes against the interest of the people, I have to defend and fight for their cause," he added.

Estrada, criticized for his recent trip to Taiwan, simply laughed off arguments made by his former colleagues in the Senate that it was "improper for him to visit Taipei" since he (Estrada) has not been proclaimed (as vice president) and since his trip could be construed as a violation of the country's one-China policy.

In an apparent attempt to prevent further criticisms about his foreign trips, Estrada announced that he was again leaving for the United States and Saudi Arabia.

In the US, he will visit his mother-in-law who would not make it to his proclamation which he plans to hold at the Barasoain Church in Bulacan in the presence of farmers, fishermen, non-government organizations and the urban poor, he said.

Estrada said he would also personally thank the Filipinos in the U.S. who contributed to his campaign.

He disclosed that some of the Filipino apple pickers in California sent whatever they could spare to his campaign kitty.

Estrada, also confirmed that he had already met leading presidential candidate Fidel Ramos.

However, Estrada said, no offers were made to him by the former defense chief, contrary to reports that he (Estrada) would be the next Secretary of Social Welfare and Development.

Court Orders Proclamation of Cagayan Governor

HK1006045792 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Jun 92

[Text] The Supreme Court has reversed a Commission on Elections [Comelec] ruling disqualifying former Governor Rodolfo Aguinaldo's candidacy for his involvement in the failed 1989 coup attempt.

In a seven-page resolution, the Supreme Court ordered the proclamation of Aguinaldo as the governor-elect of Cagayan, after he was thrown out of office on 19 March 1990.

The Supreme Court said the Comelec did not give Aguinaldo consideration when it disqualified his candidacy for his disloyalty case, which was tried in court.

It will be recalled that on 9 May, the Comelec decided to disqualify Aguinaldo from the list of candidates. But the governor filed a petition with the Supreme Court, which handed down a temporary restraining order on the commission.

Import Levy, Rising Exports Help Reduce Deficit

HK1006065992 Manila PHILIPPINES NEWSDAY in English 10 Jun 92 p 8

[By Grace C. Sison]

[Text] Helped along by the sluggish demand for imported goods owing to the government's import levy on the one hand and the relatively good showing of the export sector on the other, the country's merchandise trade relations with the various world groups improved considerably in February as against the year-ago levels.

Recently released Central Bank [CB] statistics indicated that the country's trade deficit with one group was reversed to a surplus, while its trade relations with three other major world groups, through remaining in the red, showed clear signs of improvement in February.

Industry sources attributed this development to several factors that greatly affected the trade performance of the country during the month under review. One of these was the low demand for improted goods brought about by the import levy. "There seems to be no rush on the part of local importers to import the goods needed to fill up their inventories," one source said.

Because of this, the country's import payments with three major world groups were lower in February compared to their yearago levels, thus puiling down the country's aggregate imports. Total import payments dipped by 5.73 percent to $1.032 billion in February from the yearago's $1.095 billion. CB sources said the drop was due to the lower importations from the country's major trading partners, particularly the United States, Middle East and other countries.

Meanwhile, exports posted a relatively strong showing, particularly in two major markets of the Philippines. As exports to the Middle East surged by a hefty 332.35 percent from $4.39 million to $18.98 million, foreign exchange earnings from the socialist countries jumped by 184.30 percent from $5.16 million to $14.67 million.

Because of these combined developments, the country's negative trade with the United States, its major trading partner, was reversed to a surplus last February. From a $24.68-million trade deficit registered in February last year, Philippine trade with the U.S. resulted in a trade surplus of $81.92 million.

Aside from this, trade deficit with three major world groupings shrank considerably during the month under review. These groups with their corresponding negative growth rates were: the Middle East (30.46 percent), socialist countries (35.59 percent), and other countries (47.69 percent).

Defense Department Seeks Budget Increase

HK1006061292 Quezon City MALAYA in English 10 Jun 92 p 10

[By Chit Estella]

[Text] The Department of National Defense [DND] will ask the Department of Budget and Management [DBM] to reconsider its allocation of P19.8 billion [pesos] and increase this by about P500 million.

Defense Secretary Renato de Villa said the increase is being sought by the DND to make up for about $15 to $20 million lost in terms of maintenance funds that used to be received from the United States as part of its compensation for the use of the bases. The armed forces used to get about $200 million in assistance from the U.S.

Saying that the AFP [Armed Forces of the Philippines]'s counter-insurgency campaign could be affected adversely if the DBM fails to increase the defense budget, De Villa said, "We should be given a little more because we really need these funds quite badly. We have to sustain the operations of the armed forces, particularly in the field."

The additional fund would be used to maintain aircraft, ships and the patrol craft of the Navy. It would also be used to buy spare parts for these.

"So we are re-submitting our position to the Department of Budget Coordinating Committee and hopefully, when the incoming Cabinet considers the President budget, it will reconsider our position," De Villa said.

Although the defense budget in next year's appropriation is second only to the education budget, it estimates this to be actually lower than what it used to get when it was still receiving assistance from the U.S. Education will get about P35.2 billion. But debt payment would still get the biggest share, over education and defense, at 40 percent of the proposed P322-billion budget for 1993.

Meanwhile, De Villa said the AFP is preparing a testimonial parade for President Aquino. The parade will be held sometime between Independence Day and June 30.

Ramos Assassination Plotter Meets Police

HK0906121792 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 9 Jun 92

[By Francis Callado; italicized passages in English]

[Text] One of the reported masterminds of the assassination plot against former Defense Secretary Fidel V. Ramos, Strength-National Union of Christian Democrats' presidential candidate, has reportedly voluntarily met with the officials of the Philippine National Police [PNP] at Camp Crame yesterday in order to clear himself from any involvement in the plot reported by the PNP Intelligence Division. This was reported by General Cesar Nazareno, PNP chief-director, in a press briefing at Cebu City this morning, and was also confirmed by General Gerardo Flores, PNP deputy chief, here at Camp Crame.

The man who voluntarily met with the police was only identified as Jun Lopez (Saibad), reportedly a former member of the Communist Party of the Philippines-New People's Army who surrendered last year.

Flores said that (Saibad) went to Camp Crame to dismiss earlier reports that he was involved in the assassination plot against former Defense Secretary Ramos.

[Begin Flores recording] *There is no crime.* He just deduced that he was the one being alluded to in the newspapers and decided *that it was better to come out in the open to clear his name.* [end recording]

Saibad is currently in the custody of the PNP Intelligence Division, awaiting the General Nazareno's arrival from the Visayas Region.

Intelligence Report Reveals New Coup Plot

HK0906094792 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 9 Jun 92

[By Rodney Jaleco]

[Excerpt] A plan by Reform the Armed Forces Movement-Soldiers of the Filipino People-Young Officers Union [RAM-SFP-YOU] rebels to attack Fort Magsaysay and other military camps in Northern Luzon has allegedly failed, according to a top secret intelligence report.

The military rebels allegedly planned to bomb chosen targets inside the 7th Division headquarters at Fort Bonifacio, Nueva Ecija; the Northern Luzon Command headquarters in Tarlac; and other military camps in Northern Luzon as part of their destabilization activities designed to stop the scheduled proclamation of the winners of 11 May's national elections.

The plan was allegedly conceived during a meeting held recently at the vacation house of a prominent Nueva Ecija politician. The meeting was presided over by leaders of the RAM-SFP-YOU and attended by seven military officials and 14 enlisted men from the 7th Division.

The RAM leaders said during the meeting that remote-control explosives and land mines had already been planted at Fort Magsaysay and were ready for detonation as soon as they received a coded signal that would launch this new destabilization plot. The signal was to be aired on a radio station in Metro Manila.

After the signal had been given, some of the rebels were to steal four Huey helicopter to airlift other rebels to different military camps in Northern Luzon to conduct commando raids. Others were to go to Baler, Aurora to fetch weapons smuggled by the rebels from Korea. The weapons would have been distributed to their colleagues in Quezon, Nueva Ecija, and San Idelfonso, Bulacan, where more massive RAM movements were planned. [passage omitted]

Defense Chief Probes Red Army Support

HK1006023892 Manila Far East Broadcasting Company in Tagalog 0100 GMT 10 Jun 92

[Text] The Department of National Defense is looking into reports that the Japanese Red Army is supporting the communist movement in this country.

Defense Secretary Renato de Villa is coordinating with the Japanese Government and the intelligence community to clarify the issue. Earlier, Armed Forces Civil Relations Chief Romeo Padiernos said the Japanese Red Army supplied the radio equipment being used by the local communists for clandestine broadcasts.

De Villa said he needs to confirm reports that the Red Army also controls the operations of private armies in the country although it is a small group and is known to operate only within Japan. He added that local communists continue to seek moral and financial support from other countries. Their international bureau continues to operate in Europe under the direct supervision of Jose Ma. Sison.

Military: Communists Weakening, Leaving Quezon

HK0906131492 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 9 Jun 92

[Text] The New People's Army [NPA] is reportedly in a desperate state in Central and Southern Luzon. This, according to Brigadier General Romeo Padiernos, Armed Forces of the Philippines Civil Relations chief, was displayed in their defeat in an encounter with militiamen in Bulacan, where eight Citizen's Armed Forces Geographical Unit members were able to defeat 50 NPA guerrillas and kill three of the rebel soldiers, including two high-ranking communist leaders.

Padiernos said the NPA's top officials from Nueva Ecija, Aurora, and Quezon recently held a plenum at Barangay Usiray, Aurora, to formulate new strategies and tactics for the organization. At the meeting, the rebel leaders agreed that they will conduct their attacks on the military at night rather than in daylight.

He also revealed that the Communist Party of the Philippines [CPP]-NPA Banahaw Command has moved from Quezon to the different areas in the mountains bordering Aurora and Nueva Ecija. The plenum, according to Padiernos, was attended by Leopoldo Caluza, vice secretary of the CPP-NPA for the Nueva Ecija subprovincial party committee, and Delfin Pimentel, Caluza's counterpart in Aurora.

Operations Weaken Insurgency

HK1006045692 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Jun 92

[Text] The country's insurgency problem declined by 5 percent last year. Police Deputy Director-General Gerardo Flores said the New People's Army has been weakened by the counterinsurgency operations of the government.

Flores also said that after President Corazon Aquino steps down on 30 June, the Philippine National Police will take over the task of solving the insurgency problem in the country.

Leader Denies Group Weakening

HK1006024892 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 9 Jun 92

[Text] Jose Maria Sison, Communist Party of the Philippines-New People's Army chairman, has denied the movement is crumbling due to weak leadership. Sison said there is no conjugal dictatorship in the party, adding that the movement has remained solid especially now that a pro-military president has been elected. The claim of a conjugal dictatorship in the leadership rank is allegedly more believable, but the claim on the state of the party is not. It was reported earlier that there has been demoralization within the CPP-NPA and the National Democratic Front due to its dictatorial leadership.

Thailand

Royal Command Appoints Anan as Prime Minister

BK1006123492 Bangkok Thai Color Television Channel 3 in Thai 1225 GMT 10 Jun 92

[Royal Command on appointment of prime minister, read by announcer]

[Text] Announcement on appointment of prime minister

Royal Signature: Phumiphon Adunyadet, Rex

His Majesty the King Phumiphon Adunyadet has graciously ordered it to be proclaimed that, as General Suchinda Khraprayun has resigned as the prime minister and the status as prime minister of Gen. Suchinda Khraprayun is terminated, and the King, as he has been informed by the speaker of the House of Represenatives that actions have been taken in accordance with the democratic system, deems it appropriate that Anan Panyarachun be entrusted to serve in the post of prime minister.

By virtue of Article 159 of the Constitution of the Kingdom of Thailand, His Majesty the King graciously appoints Anan Panyarachun as the prime minister to administer the country's affairs, effective immediately.

Announced on 10 June, 1992, being the 47th year of the present reign.

Countersigned: Athit Urairat, speaker of the House of Representatives.

National Assembly Approves Charter Amendments

BK1006081692

[Editorial Report] Bangkok Thai Color Television Channel 9 in Thai at 0244 GMT on 10 June begins live coverage of the National Assembly session to vote on four constitutional amendments in the third and final reading. The voting is conducted on a roll call basis.

Chaired by National Assembly President Athit Urairat, the session proceeds to vote on the first constitutional amendment to make the president of the House of Representatives the National Assembly president. Athit announces the outcome of the voting at 0330 GMT as 579 in favor of the amendment, one against, with three abstentions.

The Assembly then votes on the second constitutional amendment, which allows the second biannual house session to propose motions and cast votes of confidence or no confidence in the government in the same way allowed in the first biannual session. The outcome of the vote announced at 0420 GMT is: 569 in favor of the amendment, one against, with three abstentions.

The assembly then proceeds to vote on the third constitutional amendment to limit the authority of the Senate to screen bills. Athit announces the vote count at 0511 GMT as 566 for, none against, with six abstentions.

After a lunch recess, the National Assembly votes on the fourth constitutional amendment, which requires the prime minister to be a member of the House of Representatives. Athit announces the vote count at 0700 GMT as 514 in favor, one against, with 10 abstentions. Athit then declares: "The National Assembly has therefore completed its approval of the four draft constitutional amendments in all three readings."

Continuing, Athit rules that the urgent issue for general debate as proposed by the previous government to hear the opinions of the National Assembly members has been

dropped. This is because the government has already resigned. Athit concludes the session at 0710 GMT.

Democracy Group Urges Public Not To Demonstrate

BK1006014792 Bangkok BANGKOK POST in English 10 Jun 92 p 3

[Text] The Confederation for Democracy [CFD] yesterday urged people not to demonstrate in front of Parliament House today when it considers constitutional amendments for fear of possible clashes with groups opposed to the prodemocracy movement.

CFD member San Hatthirat said during a press conference that he learned that several groups planned to stir up trouble if there is a pro-democracy demonstration in front of Parliament today or other places including Sanam Luang.

The joint sitting of Parliament today is expected to pass proposed constitutional changes in the third reading.

Dr San claimed that groups of people would be transported from Samut Prakan's Phra Padaeng District to rally at the site and provoke clashes if a pro-democracy rally is staged.

The situation could cause unrest and result in injuries and deaths, which the military would use as a pretext to stage another coup.

For this reason, the CFD will ask people not to gather in front of Parliament and other places today, he said.

Dr San said people could monitor Parliament's consideration of constitutional amendments at home or in their work places because the Government would broadcast the session live on television, he said.

The CFD has no involvement in any demonstrations which may take place today, he added.

However, the CFD member made it clear that demonstrations might possibly be staged against the nomination of Chat Thai Party leader Sombun Rahong as prime minister.

Asked if pro-democracy rallies would be renewed, Dr San said it depends on the choice of a nominee for the premiership and how MPs respond to the people's call.

Asked what would happen if ACM Sombun was nominated, he said: "That would provoke anger among people and renew demonstrations."

In that case the CFD would try to ensure safety for those who attend the rallies which should be held on a smaller scale at several places, he said.

Commenting on the pro-military bloc blaming former Prime Minister Suchinda Khraprayun for the bloody suppression of pro-democracy demonstrators, Dr San said the five political parties cannot pass the buck for they were the ones who chose Gen Suchinda and joined his government.

Dr San said this indicated that the five political parties had not been morally disturbed by the fact that people had been killed in the crackdown.

If the pro-military parties still had any conscience left they should let other political parties form a new government, he said.

No 'Incidents' Reported

BK1006055792 Bangkok Thai Color Television Channel 9 in Thai 0535 GMT 10 Jun 92

[Text] In spite of previous reports that several groups planned to gather in front of Parliament House during today's national assembly session to vote on constitutional amendments, the reports proved to be inaccurate. In any event, a group of people calling itself Honest Power for Democracy along with some Ramkhamhaeng University students, numbering about 100 all together, have been gathering at Democracy Monument for several days. The situation there is peaceful.

Regarding reports that the Red Gaur and Thai Bat groups would hold a rally, so far there has been no such rally. Many policemen, armed only with batons, have been deployed to maintain peace and order. To prevent a possible clash between opposing groups, police have set up barricades, but so far there have been no incidents.

Red Gaur Group Pledges To Oppose Dictatorship

BK0906141392 Bangkok Army Television Channel 5 in Thai 1230 GMT 9 Jun 92

[Text] The Red Gaur Special Operation Unit has clearly expressed its intention to defend the democratic system with the king as head of state. The unit, led by Major General Sutsai Hatsadin, the former leader of the Red Gaur Movement during the 14 October 1973 and 6 October 1976 crises, together with the Thai Bat Movement and workers, vocational students, and pro-democracy groups have jointly issued a statement opposing dictatorship and pledging to firmly adhere to the advice given by his majesty the king. The statement also calls for all parties to follow the rules and regulations to achieve national progress and the democratic form of administration.

[Begin recording] [Ruangwit Hansuwan, head of the unit's task force] We will join hands to eliminate the following problems: to oppose and fight any dictator, individual, or group of individuals who harbor ill intentions toward the country in order to defend the country's peace and order. [end recording]

Commenting on the current political situation, Maj. Gen. Sutsai Hatsadin said it is the duty of members of the House of Representatives to administer the country and compromise.

[Begin Sutsai recording] Everyone is competing to form a government and is fighting for a ministerial post. As a matter of fact, it is the duty of the members of the House of Representatives to handle political affairs. [end recording]

Committee Investigating Riots Continues Work

Hears Chalat's Testimony

BK1006031792 Bangkok BANGKOK POST in English 10 Jun 92 p 3

[Text] Former MP and hunger striker Chalat Worachat told Parliament's special committee investigating the May 17-20 crackdown that his fast was intended purely to arouse people's democratic awareness.

Mr Chalat went on a hunger strike for 48 days to demand the resignation of ex-prime minister Suchinda Khrapra-yun.

The hunger strike, initially staged solely by Mr Chalat, snowballed into the anti-Suchinda demonstrations when former Phalang Tham Party leader Chamlong Simuang joined the fast.

Testifying before the investigating committee yesterday, Mr Chalat denied allegations that he had been hired for 30 million baht by the New Aspiration Party and 10 million baht by the Phalang Tham Party to stage the hunger strike.

"I am not stupid enough to be hired to die without first having a chance to spend the money. However, if there is someone who wants to be paid to die for democracy then I would help collect money from the public for him," the former MP said.

Mr Chalat said Thailand's political system has long been dominated by the military. All government formations in the past were interfered with by the military. Past prime ministers, if not elected, were controlled by the armed forces. Major ministries have been controlled by military men.

He said Samakkhi Tham Party leader Narong Wongwan who was nominated as prime minister was "set up" when he was accused of being involved in drug trafficking.

"In a country where dictatorship exists, none of its institutions will prosper," Mr Chalat told the committee.

As a former politician, he realised that people could no longer rely on politicians. So he staged a protest and received considerable support. People gave him support because they realised that the Government was illegitimate and MPs in Parliament unjustified.

Mr Chalat admitted that he persuaded the people to join his protest in front of Parliament and to take part in moving the demonstrators from Parliament to Sanam Luang and from Sanam Luang to Ratchadamnoen Avenue during May 4-10.

When the demonstrators called for a week-long truce only to resume the demonstration on May 17 with the focus on calling for constitutional amendments, Mr Chalat, who wanted an elected prime minister, decided to separate himself from the demonstrators and went on with the hunger strike alone outside Parliament.

Mr Chalat said that he did not join the Confederation for Democracy [CFD] when it was formed but was ready to support its activities. But poor health prevented him from joining the protest during May 17-20.

He admitted that he was told in advance by the CFD and Maj-Gen Chamlong that there would be a demonstration at Sanam Luang on May 17. He told the committee that he did not know that the situation would turn violent.

"I know that there must be bloodshed when calling for democracy. So I was determined to lose my life alone with the intention of arousing political awareness... but I did not think the losses would be so high."

Asked by some committee members how he could manage to survive without eating for 48 days, Mr Chalat said he survived because he was experienced in fasting. He said when he went on a hunger strike for the first time he did not eat or drink. At that time doctors advised him to drink water.

In the 1983 hunger strike, he drank only water and managed to last nine days before falling unconscious.

"The last time, I made it clear to everyone that I took glucose, calcium, stomach-coating medicine and medicine for my brain. Most importantly, I received overwhelming moral support. So my nervous system remained normal," Mr Chalat said.

Through the committee which comprises MPs from all political parties, Mr Chalat called for the new government to properly maintain the effectiveness of the executive, legislative and judicial branches otherwise it would not be able to correct the country's image and a dictatorship may return.

Chamlong Testifies

BK1006030392 Bangkok BANGKOK POST in English 10 Jun 92 p 3

[Text] Former Phalang Tham [PDP] leader Chamlong Simuang yesterday told a House committee investigating last month's brutal military crackdown on anti-Suchinda protesters that he was innocent and had no intention to lead the demonstrators to a bloody confrontation with government troops that left scores dead and hundreds wounded and missing.

Testifying before the committee, Maj-Gen Chamlong said he should not be held responsible for the deaths, injuries and loss to public and private property because he was only one of the peaceful demonstrators.

The pro-democracy leader reiterated that he was all along committed to peaceful and non-violent protest against the unelected former prime minister Gen Suchinda Khraprayun.

Maj-Gen Chamlong dismissed allegations that he had the "intention" to rally the people to a bloody showdown with the military at Phan Fa Bridge on Ratchadamnoen Avenue during May 17-20.

The ex-PDP leader told the House fact-finding committee, chaired by Chat Thai executive Det Bunlong, that no violence would have occurred if police around the barricaded bridge had not used force first.

Maj-Gen Chamlong said he had told the pro-democracy crowd at the bridge not to indulge in any acts of violence including hurling stones at the police and even advised the police to arrest those who were not with the crowd.

The pro-democracy leader said he had no idea of the motorcycle gangs rampaging the city to destroy and damage state and private property on the night after his arrest but asserted that they were definitely not part of the peaceful crowd on Ratchadamnoen Avenue.

"(Seeing) an ant floating in a tub of water, I'd pick the insect out of the tub so as not to see it killed," Maj-Gen Chamlong told the committee in response to allegations that he wanted a violent showdown with government forces.

He defended that the anti-Suchinda movement had to be conducted not only inside but also outside the Parliament to bring true democracy to the country.

"Without the demonstrations, we would have never achieved anything like the third reading for the constitutional amendments tomorrow (today)," he said. Parliamentarians are expected to pass the third and final reading of the constitutional ammendments today.

Maj-Gen Chamlong dismissed allegations that the anti-Suchinda demonstrations he helped galvanize were part of an undeclared feud between the powerful Army Class 5 led by the deposed premier and revolting Army Class 7 to which he belongs.

"Somebody is trying to distort this honest fight for democracy which has absolutely nothing to do with (military) class politics," the ex-PDP leader told the House committee.

Maj-Gen Chamlong also dismissed as groundless allegations that the pro-democracy protests were designed to bring greater popularity to his party in the future.

The House fact-finding committee, initially meeting only on Tuesdays will now also meet every Friday, beginning this week when Student Federation of Thailand secretary-general Prinya Tewanarumitkun and Pol Maj-Gen Uthai Assawawilai, assistant commissioner of the Central Investigation Bureau, are scheduled to testify.

The committee will invite Air Force chief and Supreme Commander ACM Kaset Rochananin and Army Commander-in-Chief Gen Itsaraphong Nunpakdi to testify next Tuesday.

Opposition Urges Nullification of Amnesty Decree

BK0906135492 Bangkok Army Television Channel 5 in Thai 1230 GMT 9 Jun 92

[Text] Opposition party leaders including Phisan Munlasatsathon, secretary general of the New Aspiration Party; Colonel Chinnawut Sunthonsima, secretary general of Phalang Tham Party; Chami Sakset, deputy leader of the Solidarity Party; Surin Phitsuwan, deputy director of the Democrat Party, and a number of members of the House of Representatives submitted a letter to House Speaker Athit Urairat, in his capacity as chairman of the Constitutional Tribunal, requesting the tribunal to reconsider the executive decree granting amnesty to those who committed offences during the rally from 17 to 20 May. The opposition bloc claims the decree does not conform with the first paragraph of Article 172 of the Constitution of the Kingdom of Thailand which stipulates that the executive branch or the government promulgate an executive decree for the maintenance of national security, public safety, and economic stability and for the prevention of public disasters. The opposition believes the promulgation of the executive decree was made under such conditions and not considered by the cabinet.

Athit Urairat said that he would ask the Constitutional Tribunal to deliberate the decree as soon as possible. However, the amnesty decree will not be brought for consideration during tomorrow's parliamentary session.

Caretaker Cabinet Approves 1993 Budget Bill

BK1006012192 Bangkok BANGKOK POST in English 10 Jun 92 p 6

[Text] The Cabinet yesterday approved the 1993 Budget Bill totalling 550,000 million baht as proposed by the Anan Panyarachun government. Details of the bill will be forwarded to the next government for further action.

The Anan government originally proposed a budget of 545,000 million baht but later asked for an additional 5,000 million baht followig requests from various government offices and state enterprises.

Acting deputy government spokesman Apichat Halamchiak said a number of Cabinet members proposed that the Budget Bill be forwarded to the House of Representatives for debate right away without having to wait for a new government to be set up.

They reasoned that since the caretaker Cabinet is empowered to dissolve Parliament, it should also be empowered to submit the Budget Bill to the Lower House for consideration. However, the proposal was rejected by acting Prime Minister Michai Ruchuphan.

Mr Michai argued that the Budget Bill should be submitted to the House of Representatives by the next government.

He said the new government should be given a chance to consider the bill in detail to see if it is satisfactory. It would be a waste of money to prepare new documents should the new government want to revise it, Mr Michai said.

Other Fiscal Policies Approved

BK1006011992 Bangkok BANGKOK POST in English 10 Jun 92 p 28

[Text] The caretaker Cabinet yesterday approved a package of fiscal and monetary policies to maintain stability and the level of economic expansion.

The policies were jointly proposed by the Bank of Thailand and the Finance Ministry.

The central bank and the Finance Ministry have reportd to the Cabinet that economic growth this year is expected to be around 8 percent, with inflation not exceeding 5 percent.

But the rapid expansion of the country's economy during the last four to five years has created a shortage of materials, higher prices and a widening of the current account deficit.

There are a number of short- and long-term economic problems needing to be resolved, including the inadequacy of infrastructure facilities, the shortage of savings and income distribution.

So it is necessary to implement measures to maintain economic stability and keep growth at a suitable level.

The measures are:

Fiscal policy—It is necessary to further implement strict fiscal policies, including an emphasis in the budget on efficient spending, the setting of an external borrowing ceiling, the encouragement of state enterprises to mobilise funds from domestic markets to substitute for foreign loans, and the improvement of tax collection efficiency.

Monetary policy—It is necessary to control speculative consumption and investment in the private sector and develop a stable and efficient monetary system to support economic development.

The Cabinet also approved these additional policies:

a) Fiscal

—Implementing measures in the form of various expenditures in order to lift the income levels of low-income earners.

—Establishing savings to build up sources of funds for the future and reduce reliance on fiscal budget allocations.

b) Monetary

—Emphasising domestic savings by speedily developing monetary instruments and other monetary notes, developing financial institutions and implementing incentives to encourage more savings at all levels.

c) Investment

—Allowing the private sector to participate in investment in infrastructure and in production projects.

—Creating a favourable investment climate and reducing costs by deregulating investment procedures to attract more foreign investors.

—Supporting the production of more value-added goods for export.

—Supporting the decentralisation of industries to the regions.

d) Making the public understand the country's economic problems and stimulating the people at all levels to save more and use more locally-produced goods.

The Cabinet also assigned the Finance Ministry to take charge of fiscal and monetary policies and the National Economic and Social Development Board to take charge of dealing with the problem of inadequate infrastructure.

First Army Region Commander Addresses Gathering

BK0906142792 Bangkok Army Television Channel 5 in Thai 1230 GMT 9 Jun 92

[Text] First Army Region Commander Lieutenant General Chainarong Nunphakdi this morning presided over the religious ceremony to mark the founding anniversary of the 9th Infantry Division and presented scholarships to students in Kanchanaburi Province.

In his address to the gathering of members of the infantry division, the first army region commander appealed to the military personnel to firmly adhere to their commitments and duties as well as the ideological principle given by Army Commander General Itsaraphong Nunphakdi to keep the Army united and progressive in defending the nation, monarchy, and religions and to create faith and confidence toward the military among the people.

Khmer Rouge Leader Arrives To Confer on Peace Meets Senior Officials

BK0906103692 Hong Kong AFP in English 1001 GMT 9 Jun 92

[Text] Bangkok, June 9 (AFP)—Khmer Rouge [KR] leader Khieu Samphan and senior Thai officials have quietly met here to discuss the Cambodian peace process, Thai officials and diplomats said Tuesday.

The meeting was held Monday night only hours after the leaders of the United Nations operation in Cambodia

held talks here with Thai officials to seek Thailand's support for moves to put pressure on the KR to respect the peace process.

During the Cambodian war the KR, with the support of China and Thailand, was the dominant guerrilla faction fighting Phnom Penh's Vietnam-installed government. The 13-year war officially ended with the U.N.-brokered Paris agreement last October.

No details on the discussions between Khieu Samphan and the Thai officials were immediately available.

The meeting, the sources said, took place over dinner at Thai Foreign Minister Pongphon Adireksan's home and was attended by other high-ranking Thai officials who had earlier met with Yasushi Akashi, head of the U.N. Transitional Authority in Cambodia (UNTAC), and UNTAC's military commander, Australian Lieutenant-General John Sanderson.

After his talks here, Akashi questioned the sincerity of the KR and expressed exasperation with their attitude, which has been blamed for threatening the full implementation of the Paris accord.

The faction has been accused of blocking the peace process, in particular by refusing the United Nations access to areas under their control and not providing information about mine fields.

Akashi and Sanderson came here ahead of the second phase of the UNTAC operation, which is due to begin Saturday with U.N. forces supervising the cantonment and disarming of most of the estimated 200,000 troops from all sides.

Agrees To Cooperate With UNTAC

BK1006010992 Bangkok BANGKOK POST in English 10 Jun 92 p 8

[Text] The Khmer Rouge is willing to cooperate with the United Nations and maintain a good understanding with the UN Transitional Authority in Cambodia (UNTAC) on the implementation of the Paris peace accord, according to the head of the National Security Council [NSC] yesterday.

NSC secretary-general Charan Kunlawanit met Khmer Rouge leader Khieu Samphan on Monday night during which he conveyeed the UNTAC chief's message seeking better cooperation from the Khmer Rouge.

UNTAC chief Yasushi Akashi and UNTAC military commander Lt-Gen John Sanderson met Gen Charan and Thai Foreign Ministry officials to ask for Thailand's help after the Khmer Rouge denied information and access for the deployment of UN troops in southwestern areas of Cambodia under its control.

Gen Charan said he urged Khieu Samphan to be more cooperative with the UNTAC in a bid to restore permanent peace to Cambodia under the Paris peace accord.

The NSC chief said Khieu Samphan appeared satisfied with Mr Akashi's explanation that the UNTAC mobile investigative team would be accompanied by representatives of the four Cambodian factions when verifying claims of the presence of foreign troops.

He said he believed the misunderstaning between the UNTAC and Khmer Rouge had now been clarified.

Gen Charan said the meeting with the Khmer Rouge leader took place after the UNTAC chief urged him and the Thai Foreign Minister to help seek better cooperation from the Khmer Rouge to pave the way for Phase Two of the peace accord.

He also said the Thai military had been approached by UNTAC to clear landmines between Sisophon and Siem Reap along Strategic Highway 6.

PRC Agrees To Consult KR

BK1006010792 Bangkok THE NATION in English 10 Jun 92 p A3

[Text] China has agreed to "talk to" its protege the Khmer Rouge in a joint international effort to break the deadlock threatening to impede the UN process of disarmament and demobilization of warring factions in Cambodia.

The agreement was reached at a meeting yesterday between caretaker foreign Minister Pongphon Adireksan and Chinese Ambassador to Thailand Li Shichun at the Foreign Ministry.

Speaking after the meeting, the ambassador said both Thailand and China had "a full understanding of the situation" and had agreed to talk to all four Cambodian factions in order to try to break the deadlock.

"The only way out of this difficulty is that everybody helps talk with all the Khmer Parties," the ambassador said.

Pongphon hosted a dinner on Monday night for Khmer Rouge leader Khieu Samphan during which he tried to persuade the Marxist Cambodian faction to cooperate in the second phase of the UN peace operation.

The dinner was arranged after Yasushi Akashi, head of the UN Transitional Authority in Cambodia (Untac), asked for Thai help during separate meetings earlier on the same day with National Security Council secretary general Gen Charan Khunlawanit and Foreign Ministry permanent secretary Witthaya Wetchachiwa.

The Khmer Rouge is still denying UN peacekeepers access to the territory it controls in southwest Cambodia. The UN troops want to prepare for the cantonment and demobilization of Cambodian forces, due to begin on Saturday.

The group claimed the UN has not done enough to address its concern about what is says is the continuing presence of Vietnamese troops in Cambodia.

Informed sources told THE NATION China was currently regarded as the most influential party to talk to the Khmer Rouge, as Thailand was not in "a good position" to do so.

The sources said key figures in the Thai armed forces, who were familiar and influential with the Khmer Rouge, had washed their hands of Cambodian affairs. They referred to Gen Suchinda Khraprayun, the ousted premier and former Army commander in chief.

Apart from the Chinese envoy, US Ambassador to Thailand David Lambertson also called on Pongphon to register United States concern over the delay in implementing the UN peace plan and to seek Thai assistance to help break the impasse.

Lambertson later said a flurry of diplomatic activity was going on in both Bangkok and the United Nations been parties to the Cambodian peace agreement and the five permanent members of the UN Security Council to sort out the best way to proceed with implementation of the UN Cambodian peace plan "as soon as possible".

Democrat Party Leader Chuan Meets U.S. Envoy

BK0906141092 Bangkok Radio Thailand Network in Thai 1200 GMT 9 Jun 92

[Text] Democrat Party Leader Chuan Likphai today received the U.S. ambassador to Thailand at the party headquarters this afternoon. He told reporters after the meeting that the U.S. ambassador came merely to listen to his party's policy and lines. The U.S. ambassador will meet with the leaders of other parties, as well. The opposition will be able to sum up the results of its attempt to form a government by tomorrow. He also said that information given by the six coalition parties concerning various aspects of the opposition is inaccurate. In particular, Chuan cited the remarks that the coalition parties have given the opposition a chance to form a government for several days. This issue has nothing to do with the six parties. It is the efforts of the opposition to form a government, not because of the chance given by the coalition parties. And right now the house speaker has not yet submitted the nomination of the prime minister to His Majesty the King.

Asked whether there will be unrest if the five old coalition parties become the new government parties again although the prime minister is an elected member of the House of Representatives, the Democrat Party leader said that it is difficult for the five parties to form a new government under such conditions. Therefore, the opposition is simply trying to form a government to solve the problem and is not competing for the post of prime minister or creating disunity.

Regarding a report that coalition parties may break away to support the opposition's attempt to form a government, he said that it is impossible because every party has its own regulations. However, he said that he has no intention to become the leading core in forming a government under the current circumstances.

Vietnam

Khmer Rouge Violation of Cease-Fire Denounced

BK0906114392 Hanoi Voice of Vietnam in English 1000 GMT 9 Jun 92

[Station commentary]

[Text] Radio Democratic Kampuchea recently broadcast a speech made by the Khmer Rouge leader at the 11th session of the Supreme National Council of Cambodia [SNC] in Phnom Penh saying that Vietnam's aggression and occupation was aborting the Cambodian issue, and that Vietnamese forces disguised as civilians or wearing the uniform of the Cambodian party were joining Phnom Penh forces in attacks on Democratic Kampuchea. What is the truth about this issue, our radio provides you further details.

Toward the second phase of the peace process in Cambodia, the Khmer Rouge has cooked up many stories about the presence of Vietnamese forces in Cambodia. A spokesman for the Vietnamese Embassy in Cambodia said that the Khmer Rouge were slinging mud at Vietnam in an attempt to cover their obstructive moves against the Paris agreement on Cambodia. The head of the UN Transitional Authority in Cambodia [UNTAC] Mr. Akashi has, on many occasions, affirmed that there is no evidence on Vietnamese military presence in Cambodia as charged by the Khmer Rouge.

Meanwhile, Prince Sihanouk, president of the SNC expressed his anger at the Khieu Samphan faction's repeated allegations on Vietnamese military presence in Cambodia. He said that Vietnam has completed its troop withrawal from Cambodia and the Khieu Samphan faction has repeatedly violated the cease-fire. Mr. Akashi expressed doubt about the Khmer Rouge's sincerity and said that the attitude caused the delay in the implementation of the Paris peace agreement in Cambodia. He said: if the Khmer Rouge follows strictly the Paris agreement, anything would be settled. Meanwhile, the Radio France International held that at this period of time, the Khieu Samphan faction's obstinate attitude remains the main obstacle to the peace process in Cambodia.

Called To Abide by Peace Accord

BK1006142992 Hanoi Voice of Vietnam in English 1000 GMT 10 Jun 92

[Station commentary]

[Text] The second phase of the implementation of the Paris agreement will begin soon, but the prospects for the second phase seemed to be gloomy. UNTAC [United Nations Transitional Authority in Cambodia] has asked

Thailand to put pressure on the Khmer Rouge to abide by the accord. Can Thailand fulfil this task? Here is our radio comment:

In the face of the uncooperative attitude of the Khmer Rouge in implementing the second phase of the Paris agreement, Mr. Akashi, the head of UNTAC, arrived in Bangkok for discussions with Thai officials. He asked the Thai administration to bring pressure to bear upon by the Khmer Rouge to comply with the Paris Accord. Five permanent members of the UN Security Council have already sent letters to the Khmer Rouge's related countries asking them to force the Khmer Rouge to change their attitude and cooperate with UNTAC in implementing the Paris agreement.

These efforts testify to the determination to bring about realistic results in the second phase. However, the Khmer Rouge have been ignoring UNTAC and other countries' efforts, causing obstacles to UNTAC activities. It is difficult for Thailand to persuade the Khmer Rouge. Secretary of the National Security Council of Thailand Charan Kunlawanit said that the UN cannot pin its hope on Bangkok's efforts to force the Khmer Rouge to abide by the accord.

Public opinion hopes that the Khmer Rouge will stop all their military activities prior to the second phase of the peace process in Cambodia. If this phase fails to be implemented, the responsibility will rest with the Khmer Rouge.

Diplomatic Relations Established With Oman

BK0906162792 Hanoi VNA in English 1546 GMT 9 Jun 92

[Text] Hanoi VNA June 9—Vietnam and Oman have decided to establish diplomatic relations at ambassadorial level as from June 9, 1992.

A joint communique to this effect was signed in New York the same day by Trinh Xuan Lang, head of the Vietnamese mission to the UN, and the ambassador of Oman. The communique stresed that the relations between the Socialist Republic of Vietnam and the Kingdom of Oman are based on the principles of peaceful coexistence, respect for each other's sovereignty, noninterference in each other's internal affairs, equality and mutual benefit.

Joint Venture Exploits 460,000 Tonnes of Oil

BK0906132192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 6 Jun 92

[Text] In May, the Vietsovpetro joint venture and the Vietnam Gas and Oil Corporation exploited 460,000 tonnes of crude oil, an increase of 1.4 times that of the same month last year. The two companies have applied many measures to increase production, such as opening new wells, consistently maintaining pressure at the bottom and around oil wells, and quickly solving technical problems at the wells.

Also in May, the corporation made a final check on the construction of a second tanker for Bach Ho well. The tanker will help the corporation complete its 1992 production plan.

Family Planning Cooperation Pact With Indonesia

BK0906143292 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 7 Jun 92

[Text] On the evening of 5 June in Jakarta, Indonesia and Vietnam signed an agreement on family planning cooperation.

On 6 June, the ANTARA NEWS AGENCY of Indonesia reported that the agreement was a following step of a memorandum signed by the two sides in last April. A high-ranking seminar on the implementation of the memorandum was held in Jakarta from 26 May to 5 June to discuss the aforementioned bilateral cooperation.

Contract Signed With British, Norwegian Firms

BK0906160992 Hanoi VNA in English 1555 GMT 9 Jun 92

[Text] Hanoi VNA June 9—A product-sharing contract on oil prospection at lot [words indistinct] Vietnam's continental shelf [words indistinct] here this afternoon by Petro Vietnam, BP [British Petroleum]-Vietnam, and Statoil of Norway. The signatories were [words indistinct] general director of Petro Vietnam, Mr. M.A. Yeldham, in charge of BP-Vietnam, and Mr. J. Boe, director of Statoil.

Under the contract, BP and Statoil will contribute 100 percent of the capital and take all the risk. The maturity period is 6 years. Products will be shared according to agreed ratios. Petrovietnam is also entitled to own shares in the venture.

British Petroleum had signed a product-sharing contract with Vietnam in 1989 to prospect for oil on the central Vietnam coast.

British Government Grants Humanitarian Aid

BK0906161992 Hanoi VNA in English 1546 GMT 9 Jun 92

[Text] Hanoi VNA June 9—The British Government has decided to grant another one million pounds sterling (88 million USD) in aid to Vietnam through British now engaged in humanitarian activities for the benefit of repatriates from Hong Kong.

This was announced by the minister of the Overseas Development Ministry (ODA) in [words indistinct] on June 4, 1992.

In May 1991, the British Government had sent 1 million pounds to Vietnam [words indistinct] the amount will be spent on projects british NGOs [non-governmental organizations] are conducting to create jobs and improve the

living conditions of the repatriates and other people. Seventy percent of these projects' costs are funded by the British Government.

So far the British Government has contributed [word indistinct] million pounds to the EC's progammes in Vietnam [word indistinct] another 1 million pounds to help in the training of Vietnamese economists and technicians needed by Vietnam's renovation progamme. It will also contribute to the International Monetary Fund's progammes for Vietnam to help it carry out its debt service once agreements on this issue are reached.

UNDP Representative Decorated

BK0906161792 Hanoi VNA in English 1550 GMT 9 Jun 92

[Text] Hanoi VNA June 9—Vice Premier Phan Van Khai, empowered by the State Council, this afternoon conferred the friendship order on Mr. David Smith, UNDP [UN Development Program] resident representative in Vietnam, in acknowledgement of his important contributions to activities in support of Vietnam's economic, cultural, scientific and social development in the past years.

Speaking on this occasion, Mr. David Smith thanked the Vietnam Government and people for creating conditions for him to fulfill his assignments in Vietnam. He wished the Vietnamese people success in renovation and national construction.

Meeting of Donors to Vietnam Red Cross Opens

BK0906162992 Hanoi VNA in English 1541 GMT 9 Jun 92

[Text] Hanoi VNA June 9—The Red Cross of Vietnam opened [words indistinct] with foreign donor Red Cross Society [words indistinct] The meeting is convened to evaluate the response to the 92-appeal of the International Federation of the Red Cross and Red Crescent Societies (IFRC) in the framework of the agreement on development cooperation, to make fact-finding tours of various localities, and to examine projects and programmes in development cooperation of the Red Cross of Vietnam before the 93-appeal [words indistinct] the IFRC.

Taking part in the meeting are representatives of national Red Cross societies from the USA, Australia, Finland, South Korea, Denmark, Sweden, Japan, Switzerland, and Holland and of the IFRC and the International Committee of the Red Cross.

Representatives of the UNDP, UNICEF, and Radda Barnen of Sweden also attended.

In his welcoming speech, first vice-chairman of the Council of Ministers Phan Van Khai expressed heart-felt thanks to all international and national Red Cross organizations, governments of friendly countries, and other international organizations for their valuable whole-hearted and generous humanitarian aid to the people in disaster-stricken areas, the poor, invalids, and other unfortunates in Vietnam.

The meeting will last until June 16.

Official Ho Chi Minh City Candidates Win Support

BK0806073092 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 4 Jun 92

[Text] As of 3 June, the Ho Chi Minh City Fatherland Front Committee had completed its task of sounding out ideas from voters on 29 candidates nominated for the Ninth National Assembly election. Most of these candidates won full support from the voters.

Among the 11 independent candidates of Ho Chi Minh City, however, five have withdrawn, one still lives abroad and has not complied with the election law, and the rest win low support from the people in their constituencies.

Cities Nominate Election Candidates

BK0906111992 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 5 Jun 92

[Text] On 5 June, the Ho Chi Minh City Fatherland Front Committee held its third consultative meeting to nominate 36 candidates for the Ninth National Assembly election. Among them, seven were introduced by the Vietnam Fatherland Front Central Committee while the rest—six of them are women—were picked up by the city committee.

After the last round of consultative meeting, Ho Chi Minh City will organize functions to let candidates meet with the voters, post lists of voters, step up propaganda work, and print documents related to the election. Ho Chi Minh City has eight constituencies.

In Hanoi on the same day, the Municipal Fatherland Front Committee held its third consultative meeting to complete the nomination of candidates for the National Assembly election in the capital city. The meeting came up with a list of 32 candidates; 25 of them were nominated by Hanoi and seven were introduced by the Vietnam Fatherland Front Central Committee.

Electoral Council Holds Second Session 28 May

BK3105092192 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 May 92

[Text] On 28 May, the council for the election of deputies to the Ninth National Assembly held its second session in the capital city of Hanoi under the direction of Vo Chi Cong, president of the electoral council. The council heard the following:

—A report on the preparations for the election of deputies to the ninth National Assembly throughout the country;

—A report on the assessment of the preparations for the electoral work in Hanoi Municipality, Ho Chi Minh City, Hai Phong City, and a number of provinces under the control of the four electoral inspection teams;
—A report by the Vietnam Fatherland Front [VFF] Central Committee Presidium on the results of the first and second consultative conferences held in the various provinces and cities by the VFF Central Committee presidium and front committee standing bodies to reach agreement on the composition and distribution of candidates selected by the various mass societies, social organizations, and state agencies at the central and local levels to stand for the election, as well as to form tentative namelists of appointed and independent candidates to the election of National Assembly deputies and to solicit the opinions of the people in the areas where those candidates work or live; and
—A report on measures to secure public safety and order for the election.

The electoral council noted that administrative bodies at all levels and electoral committees and subcommittees have made a lot of effort to overcome difficulties and have made urgent preparations for the election of the ninth National Assembly deputies in a spirit of renovation and democracy and as stipulated by law.

The council stressed that from now until the end of September, as far as the electoral work is concerned, it is necessary to focus on the following important tasks:

—Accelerating widespread propaganda activities among people of all walks of life and units of the Armed Forces both in the urban and rural areas;
—Satisfactorily soliciting the opinions of voters at grassroots establishments where appointed or independent candidates work or live;
—Attentively listening to voters' comments and suggestions;
—Conducting final consultative conferences to screen appointed or independent candidates and then work out official namelists of candidates to the election of deputies to the National Assembly;
—Establishing and posting voters' namelists. Prompt measures must be taken to rectify mistakes, if any, so as to guarantee citizens' right to vote;
—Beefing up security to assure public safety and social order, as well as intensifying precautionary measures against floods and typhoons; and
—Helping cadres and people tackle difficulties in their daily lives and assisting compatriots in areas affected by food shortages, natural disasters, or famine, thus creating a jubilant, enthusiastic atmosphere among the people.

The council is convinced that thanks to the active participation of the people throughout the country, we will certainly turn the upcoming election of the ninth National Assembly deputies into an all-people festival to elect the highest-level organ of state power capable of fulfilling the duties defined by the 1992 Constitution.

Nguyen Dinh Tu Attends Party Science Meeting

BK0906125392 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 6 Jun 92

[Text] On the 6 June afternoon in Hanoi, the Science and Education Department of the party Central Committee held a meeting to discuss the organization work and working regulations of the friendship associations and Vietnamese science and technology associations.

Many representatives and scientists from central sectors, levels, and ministries attended the meeting. Comrade Nguyen Dinh Tu, secretary of the party Central Committee and director of the party Science and Education Department chaired the meeting.

Since its establishment, the Vietnamese Federation of Science and Technology Associations has admitted 41 association members, including 33 specialized associations of the central government and eight local associations with more than 2,500 members. These associations have conducted positive activities in making their own working funds, contributing to the national budget, and creating jobs for people living in the cities and rural areas. They also apply technical and scientific advances to production, at the same time mobilizing money to invest in modern production techniques and broadening the cooperation with foreign countries via nongovernmental organizations.

The delegates enthusiastically discussed the organization structure of the federation and associations and the consolidation of party leadership and state management in the associations.

Defense Ministry on War Veterans Association

BK0906135992 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 7 Jun 92

[Text] Last week, the Defense Ministry directed all regional military headquarters to coordinate with the Vietnam War Veterans Association in carrying out national defense tasks and developing the association.

To enhance the quality and effectiveness of operational coordination, all military region headquarters were requested by the ministry to direct local military agencies to maintain good relations with the war veterans association at the same level and to regularly inform one another of the situation concerning the enemy plots of peaceful evolution and subversive activities. Programs must be formulated in accordance with the contents of interministerial circular No. 109 for specific coordination between the general political department and Vietnam War Veterans Association, and between the Vietnamese People's Army and Vietnam War Veterans Association.

The regional Armed Forces and regular Army units stationed in localities must be motivated to coordinate their activities with one another and to develop the Vietnam War Veterans Association's capabilities of helping educate people—especially younger generations

in localities and Army units—on the traditions of the revolution and the Vietnamese People's Army, thus helping build the Army and localities into a strong and firm mainstay in the construction and defense of the Socialist Vietnam Fatherland. The war veterans association must be assisted in developing its role of being a reliable mass organization of the party in various activities in local basic installations. Army units should help create necessary conditions depending on the capability of units and localities, so that the war veterans association at each level can operate favorably and effectively.

Nong Duc Manh Inspects An Giang Province

BK0906115192 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 7 Jun 92

[Text] From 4-6 June, Comrade Nong Duc Manh, member of the Political Bureau, head of the party Central Committee Department of Nationalities and vice chairman of the National Assembly's Nationalities Council, inspected the implementation of the nationalities policy in Tri Ton and Tinh Bien Districts of An Giang Province where ethnic Khmer people are living along the Vietnam-Cambodia border.

Leaders of An Giang Province and the above-mentioned districts reported to Comrade Nong Duc Manh the results of implementing Resolution 22 of the Political Bureau, resolutions of the National Assembly, and the decision of the Council of Ministers on the tasks concerning ethnic people and mountainous regions over the past two years, especially in recent times in localities.

Comrade Nong Duc Manh warmly praised the party organizations and the administrations of An Giang Province and Tri Ton and Tinh Bien Districts for their alertness and high determination to make investment in the stabilization and development of the socioeconic situation and livelihood of the Khmer people along the border area over the recent past, especially in the present situation.

He urged the two districts to pay attention to the new developmemts in the country and the world, be aware of the extremely important position of border areas, intensify education to make people fully aware of the need to scrupulously comply with the new decisions of the state concerning the border areas, and make the Khmer people as well as lowland people living there firmly preserve solidarity and friendship with the Cambodian people, national sovereignty, and peaceful and stable life to build and defend the country well.

He suggested that the province and the two districts would promptly initiate measures to definitively solve the outstanding problems in each zone, especially those having difficulties, to ensure poor people have land for cultivation, to reduce the number of starving households, and to firmly maintain stability along this important borderline of the country.

Le Quang Dao Tours Nam Ha, Ninh Binh Provinces

BK1006065192 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 8 Jun 92

[Text] From 3 to 7 June, Comrade Le Quang Dao, chairman of the National Assembly and vice-chairman of the Council of State and the Central Electoral Council, paid working visits to Nam Ha and Ninh Binh Provinces. He was accompanied by Comrade Vu Mao, chief officer of the National Assembly and the State Council. The leaders of the two provinces warmly welcomed Chairman Le Quang Dao and his entourage.

The party secretary and chairman of each provincial party committee reported to the delegation on the socio-economic situation, the organization of the administrative apparatus following the partition of the province, and the difficulties, favorable conditions, and progressive trends of each province.

At the same time, they reported the local preparations for National Assembly elections to Comrade Le Quang Dao who has taken a great deal of time to work in Kim Bay and Xuan Thuy districts and Xuan Phuong village where the annual rice yield has reached 12 tonnes per hectare. He also visited the memorial house of late General Secretary Truong Chinh in Xuan Hong village of Nam Ha Province.

In Ninh Binh Province, Comrade Le Quang Dao visited Kim Son District and some historical sites in the locality. Conversing with leaders of the two provinces and visiting installations, Comrade Le Quang Dao commended them and the local people on their efforts to implement well the National Assembly resolution to split the province in a quick, neat, and adequate manner thereby ensuring solidarity. He also commended them on their work to rapidly stabilize the situation by overcoming difficulties and continually performing routine duties, and noted that they have scored important initial results. He cautioned them of the need to pay the utmost attention to the development of industrial and handicraft production while considering agriculture as the foremost battlefront, and to accelerate exports by positively exploiting local strengths and encouraging the development of various economic sectors.

Concerning the electoral task, he reminded local leaders of the need to consider it an important political drive and to do a good job of carrying out the propaganda task both in depth and breadth in order to make the masses clearly understand new articles in the 1992 Constitution and the laws on the National Assembly organization and election of deputies, and the purpose and significance of the National Assembly elections. This is intended to raise the citizens' sense of discipline in building the administration of the people, by the people, and for the people, and in selecting meritorious candidates to the highest agency of state power as well as supplemental delegates to the people's councils of the two provinces.

Australia

Evans Warns of Possible Cambodian 'Crisis'

BK1006034892 Melbourne Radio Australia in English 0300 GMT 10 Jun 92

[Text] Australian Foreign Affairs Minister Gareth Evans has warned that the United Nations peacekeeping effort in Cambodia could soon face a crisis. Senator Evans says Khmer Rouge is refusing to cooperate in the exercise to disarm rival factions.

[Begin Evans recording] The problem we have at the moment is that the Khmer Rouge is saying that we are not going to cooperate in the start-up of the major demobilization exercise, which is due to begin in just three days' time. It says the reason for that is that it's not yet persuaded that all Vietnamese forces have left. Now whether that's a real objection which is capable of being met by rational, logical responses or whether it's simply a blind for a more generalized lack of cooperation is something that remains to be seen. [end recording]

Finance Minister Reports Unemployment at 10.5%

BK0706082292 Hong Kong AFP in English 0541 GMT 7 Jun 92

[Text] Sydney, June 7 (AFP)—Australia's unemployment rate could still rise higher but it was near its peak, Finance Minister Ralph Willis said here Sunday. Willis said on national television that unemployment, at present running at 10.5 percent, was still below the government's forecast peak of 10.75 percent.

"We are at the point where we're about to move into employment growth," Willis said. "It's just a matter of that growth being substantial enough to match the growth in the workforce to stop unemployment getting any higher, now whether that happens before we get to 10 and three quarters percent or not, no-one really knows," he said.

Willis said Australia was now clearly out of recession thanks to positive growth in each of the last three quarters and a 1.5 percent growth of gross domestic product over that time. The government has forecast 4.75 percent growth in GDP for 1992-93.

He said hard evidence of the recovery from recession would be seen in 1992-93 but Australia was not experiencing a "roaring recovery."

"It's a kind of recovery from recession which most people can't feel because particularly with employment still being stagnant and unemployment possibly still to rise a little further in those circumstances, the evidence of being out of recession isn't there for the general public," he said.

Opposition leader John Hewson told reporters: "Until the economy picks up in a sustainable way, unemployment will probably go higher and stay higher longer than anyone expected."

New Zealand

Finance Minister Says Fiscal Deficit To Increase

BK0906102292 Hong Kong AFP in English 0852 GMT 9 Jun 92

[Text] Wellington, June 9 (AFP)—New Zealand's fiscal deficit is bound to be significantly higher than expected, Finance Minister Ruth Richardson warned Tuesday.

Her statement sent interest rates and the New Zealand dollar climbing.

She gave no figures as these will be released in her July 2 budget, but her comments appeared aimed at softening the blow.

The Central Reserve Bank earlier this month put the deficit for the year to June at 3.1 billion N.Z. dollars (1.6 billion U.S.) and 2.5 billion dollars (1.3 billion dollars) for the following year.

Richardson said the figures would be higher than that.

Her statement came after the final supplementary estimates for 1991/92 were introduced in parliament Thursday, showing government expenditure was down by around 100 to 150 million dollars (54 to 81 million dollars) on estimates released in April, while tax receipts were in line with the April projections.

This lower than expected tax take would produce the greater deficit. She said that despite lower government spending "the deficit position for future years remains difficult."

As a result wholesale interest rates went on a roller-coaster ride, falling as the kiwi dollar firmed dramatically but easing on profit-taking and comments about the government's fiscal position. Volumes were strong with more activity in the physicals than the futures.

The New Zealand dollar surged past 54 U.S. cents in its strongest rally for months. The kiwi ended at 54.41c compared with Monday's close at 53.89.